

109TH CONGRESS
1ST SESSION

H. R. 3078

To amend the Internal Revenue Code of 1986 to waive the employee portion of Social Security taxes imposed on individuals who have been diagnosed as having cancer or a terminal disease.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2005

Mr. PAUL (for himself and Mr. MILLER of Florida) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to waive the employee portion of Social Security taxes imposed on individuals who have been diagnosed as having cancer or a terminal disease.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cancer and Terminal
5 Illness Patient Health Care Act of 2005”.

1 **SEC. 2. WAIVER OF EMPLOYEE PORTION OF SOCIAL SECUR-**
2 **ITY TAXES ON INDIVIDUALS DIAGNOSED AS**
3 **HAVING CANCER OR A TERMINAL DISEASE.**

4 (a) EMPLOYEES.—Section 3101 of the Internal Rev-
5 enue Code of 1986 (relating to tax on employees) is
6 amended by adding at the end the following new sub-
7 section:

8 “(d) EXCEPTION FOR EMPLOYEES WITH CANCER OR
9 TERMINAL DISEASE.—No tax shall be imposed by this
10 section on wages paid to an individual for any period for
11 whom a certification by a physician (as defined in section
12 1861(r)(1) of the Social Security Act (42 U.S.C.
13 1395x(r)(1)) is in effect stating that—

14 “(1) the individual has a terminal disease,

15 “(2) the individual has cancer and whether or
16 not such cancer is in remission, or

17 “(3) the individual is the primary caregiver for
18 a spouse, parent, or child with a terminal disease or
19 cancer (whether or not such cancer is in remission).

20 The preceding sentence shall apply in the case of a certifi-
21 cation that an individual’s cancer is in remission only dur-
22 ing the period that the individual certifies to the employer
23 that the individual is incurring significant costs (not reim-
24 bursed by insurance or otherwise) by reason of such can-
25 cer.”.

1 (b) COMPARABLE TREATMENT FOR SELF-EMPLOYED
 2 INDIVIDUALS.—Section 1401 of such Code is amended by
 3 adding at the end the following new subsection:

4 “(d) REDUCTION IN TAX FOR SELF-EMPLOYED INDIVIDUALS WITH CANCER OR TERMINAL DISEASE.—

6 “(1) IN GENERAL.—Each of the rates of tax
 7 under subsections (a) and (b) shall be reduced by 50
 8 percent in the case of an individual for whom a cer-
 9 tification by a physician (as defined in section
 10 1861(r)(1) of the Social Security Act (42 U.S.C.
 11 1395x(r)(1)) is in effect throughout the taxable year
 12 stating that—

13 “(A) the individual has a terminal disease,

14 “(B) the individual has cancer and whether
 15 or not such cancer is in remission, or

16 “(C) the individual is the primary care-
 17 giver for a spouse, parent, or child with a ter-
 18 minal disease or cancer (whether or not such
 19 cancer is in remission).

20 The preceding sentence shall apply in the case of a
 21 certification that an individual’s cancer is in remis-
 22 sion only during the period that the individual is in-
 23 curring significant costs (not reimbursed by insur-
 24 ance or otherwise) by reason of such cancer.

1 “(2) SPECIAL RULE WHERE CERTIFICATE IN
2 EFFECT FOR ONLY PORTION OF YEAR.—If the cer-
3 tification referred to in paragraph (1) is in effect for
4 only a portion of the taxable year, paragraph (1)
5 shall be applied by substituting for ‘50 percent’ the
6 number of percentage points which bears the same
7 ratio to 50 as such portion bears to the entire tax-
8 able year.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to periods after the date of the
11 enactment of this Act.

12 (d) NO IMPACT ON SOCIAL SECURITY TRUST FUND
13 DEPOSITS OR BENEFITS.—Nothing in the amendments
14 made by this section shall be construed to affect the
15 amount of deposits into any trust fund under the Social
16 Security Act or the amount of benefits payable under such
17 Act.

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