

109TH CONGRESS
1ST SESSION

H. R. 727

To amend the Internal Revenue Code of 1986 to allow the deduction for health insurance costs of self-employed individuals to be allowed in computing self-employment taxes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2005

Ms. LORETTA SANCHEZ of California (for herself, Mr. PAUL, and Mrs. KELLY) 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 allow the deduction for health insurance costs of self-employed individuals to be allowed in computing self-employment taxes.

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 “Self-Employed Health
5 Equity Adjustment to Lower Tax Hindrance Act of
6 2005”.

1 **SEC. 2. ALLOWANCE OF HEALTH INSURANCE DEDUCTION**
2 **FOR SELF-EMPLOYED INDIVIDUALS FOR PUR-**
3 **POSES OF SELF-EMPLOYMENT TAX.**

4 (a) IN GENERAL.—Section 162(l) of the Internal
5 Revenue Code of 1986 (relating to special rules for health
6 insurance costs of self-employed individuals) is amended
7 by striking paragraph (4) (relating to deduction not al-
8 lowed for self-employment tax purposes) and redesignating
9 paragraph (5) as paragraph (4).

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to taxable years beginning after
12 December 31, 2004.

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