

110TH CONGRESS
1ST SESSION

H. R. 3516

To amend the Internal Revenue Code of 1986 to provide a 100 percent deduction for the health insurance costs of individuals.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 10, 2007

Mr. MCHUGH 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 provide a 100 percent deduction for the health insurance costs of individuals.

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 “Affordable Health Care
5 for Americans Act of 2007”.

6 **SEC. 2. DEDUCTION FOR QUALIFIED HEALTH INSURANCE**
7 **COSTS OF INDIVIDUALS.**

8 (a) IN GENERAL.—Part VII of subchapter B of chap-
9 ter 1 of the Internal Revenue Code of 1986 (relating to
10 additional itemized deductions for individuals) is amended

1 by redesignating section 224 as section 225 and by insert-
2 ing after section 223 the following new section:

3 **“SEC. 224. COSTS OF QUALIFIED HEALTH INSURANCE.**

4 “(a) IN GENERAL.—In the case of an individual,
5 there shall be allowed as a deduction an amount equal to
6 the amount paid during the taxable year for coverage for
7 the taxpayer, his spouse, and dependents under qualified
8 health insurance.

9 “(b) QUALIFIED HEALTH INSURANCE.—For pur-
10 poses of this section, the term ‘qualified health insurance’
11 means insurance which constitutes medical care, other
12 than insurance substantially all of the coverage of which
13 is of excepted benefits described in section 9832(c).

14 “(c) SPECIAL RULES.—

15 “(1) COORDINATION WITH MEDICAL DEDUC-
16 TION, ETC.—Any amount paid by a taxpayer for in-
17 surance to which subsection (a) applies shall not be
18 taken into account in computing the amount allow-
19 able to the taxpayer as a deduction under section
20 162(l) or 213(a). Any amount taken into account in
21 determining the credit allowed under section 35 shall
22 not be taken into account for purposes of this sec-
23 tion.

24 “(2) DEDUCTION NOT ALLOWED FOR SELF-EM-
25 PLOYMENT TAX PURPOSES.—The deduction allow-

1 able by reason of this section shall not be taken into
2 account in determining an individual's net earnings
3 from self-employment (within the meaning of section
4 1402(a)) for purposes of chapter 2.”.

5 (b) DEDUCTION ALLOWED IN COMPUTING AD-
6 JUSTED GROSS INCOME.—Subsection (a) of section 62 of
7 such Code is amended by inserting before the last sentence
8 the following new paragraph:

9 “(21) COSTS OF QUALIFIED HEALTH INSUR-
10 ANCE.—The deduction allowed by section 224.”.

11 (c) CLERICAL AMENDMENT.—The table of sections
12 for part VII of subchapter B of chapter 1 of such Code
13 is amended by redesignating the item relating to section
14 224 as an item relating to section 225 and inserting before
15 such item the following new item:

“Sec. 224. Costs of qualified health insurance.”.

16 (d) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2006.

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