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112TH CONGRESS
2D SESSION

H. R. 6088

To repeal certain tax increases enacted as part of health care reform.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2012

Mr. SCHWEIKERT introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To repeal certain tax increases enacted as part of health care reform.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Total Repeal of the Unfair Taxes on Healthcare Act of 2012" or as the "TRUTH Act of 2012".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. REPEAL OF EXCISE TAX ON COMPREHENSIVE HEALTH PLANS.

Chapter 43 of the Internal Revenue Code of 1986 is amended by striking section 4980I (and by striking the item relating to such section in the table of sections for such chapter).

SEC. 3. REPEAL OF SURTAX ON INVESTMENT INCOME.

(a) IN GENERAL.—Subtitle A of the Internal Revenue Code of 1986 is amended by striking chapter 2A and by striking the item relating to chapter 2A from the table of chapters for such subtitle.

(b) CONFORMING AMENDMENTS.—Section 6654 of such Code is amended—

(1) in subsection (a), by striking ''the tax under chapter 2, and the tax under chapter 2A'' and inserting ''and the tax under chapter 2'', and

(2) in subsection (f)—

(A) by striking ‘‘plus’’ at the end of paragraph (2) and inserting ‘‘minus’’, and

(B) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

SEC. 4. REPEAL OF DISQUALIFICATION OF EXPENSES FOR OVER-THE-COUNTER DRUGS UNDER HEALTH FLEXIBLE SPENDING ARRANGEMENTS AND HEALTH SAVINGS ACCOUNTS.

(a) HEALTH FLEXIBLE SPENDING ARRANGEMENTS AND HEALTH REIMBURSEMENT ARRANGEMENTS.—Section 106 of the Internal Revenue Code of 1986 is amended by striking subsection (f).

(b) HSAS.—Subparagraph (A) of section 223(d)(2) of such Code is amended by striking the last sentence.

(c) ARCHER MSAS.—Subparagraph (A) of section 220(d)(2) of such Code is amended by striking the last sentence.

(d) EFFECTIVE DATES.—

(1) REIMBURSEMENTS.—The amendment made by subsection (a) shall apply to expenses incurred with respect to taxable years beginning after December 31, 2010.

(2) DISTRIBUTIONS FROM SAVINGS ACCOUNTS.—The amendments made by subsections (b) and (c) shall apply to amounts paid with respect to taxable years beginning after December 31, 2010.

SEC. 5. REPEAL OF INCREASE IN TAX ON NONQUALIFIED DISTRIBUTIONS FROM HEALTH SAVINGS ACCOUNTS.

(a) HSAS.—Section 223(f)(4)(A) of the Internal Revenue Code of 1986 is amended by striking ''20 percent'' and inserting ''10 percent''.

(b) ARCHER MSAS.—Section 220(f)(4)(A) of such Code is amended by striking ''20 percent'' and inserting ''15 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2010.

SEC. 6. REPEAL OF LIMITATION ON HEALTH FLEXIBLE SPENDING ARRANGEMENTS UNDER CAFETERIA PLANS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 is amended by striking subsection (i).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2012.

SEC. 7. REPEAL OF INCREASED THRESHOLD FOR ITEMIZED DEDUCTION FOR MEDICAL EXPENSES.

(a) IN GENERAL.—Subsection (a) of section 213 of the Internal Revenue Code of 1986 is amended by striking ''10 percent'' and inserting ''7.5 percent''.

(b) CONFORMING AMENDMENTS.—

(1) Section 56(b)(1)(B) of such Code is amended by striking ''without regard to subsection (f) of such section'' and inserting ''by substituting '10 percent' for '7.5 percent' ''.

(2) Section 213 of such Code is amended by striking subsection (f).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

SEC. 8. REPEAL OF EXCISE TAX ON INDOOR TANNING SERVICES.

(a) IN GENERAL.—Subtitle D of the Internal Revenue Code of 1986 is amended by striking chapter 49 (and by striking the item relating to such chapter in the table of chapters for such subtitle).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to services performed after the date of the enactment of this Act.

SEC. 9. REPEAL OF INDIVIDUAL HEALTH INSURANCE MANDATE.

Section 5000A of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(h) TERMINATION.—This section shall not apply with respect to any month beginning after the date of the enactment of this subsection.".

SEC. 10. REPEAL OF EMPLOYER HEALTH INSURANCE MANDATE.

(a) IN GENERAL.—Chapter 43 of the Internal Revenue Code of 1986 is amended by striking section 4980H.

(b) REPEAL OF RELATED REPORTING REQUIREMENTS.—Subpart D of part III of subchapter A of chapter 61 of such Code is amended by striking section 6056.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 6724(d)(1) of such Code is amended by inserting "or" at the end of clause (xxiii), by striking "and" at the end of clause (xxiv) and inserting "or", and by striking clause (xxv).

(2) Paragraph (2) of section 6724(d) of such Code is amended by inserting "or" at the end of subparagraph (FF), by striking ", or" at the end of subparagraph (GG) and inserting a period, and by striking subparagraph (HH).

(3) The table of sections for chapter 43 of such Code is amended by striking the item relating to section 4980H.

(4) The table of sections for subpart D of part III of subchapter A of chapter 61 of such Code is amended by striking the item relating to section 6056.

(5) Section 1513 of the Patient Protection and Affordable Care Act is amended by striking subsection (c).

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to months and other periods beginning after December 31, 2013.

(2) REPEAL OF STUDY AND REPORT.—The amendment made by subsection (c)(5) shall take effect on the date of the enactment of this Act.

SEC. 11. REPEAL OF EXCISE TAX ON MEDICAL DEVICES.

(a) IN GENERAL.—Chapter 32 of the Internal Revenue Code of 1986 is amended by striking subchapter E (and by striking the item relating to such subchapter in the table of subchapters of such chapter).

(b) CONFORMING AMENDMENTS.—

(1) Section 4221(a) of such Code is amended by striking the last sentence.

(2) Section 6416(b)(2) of such Code is amended by striking the last sentence.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2012.

SEC. 12. REPEAL OF ANNUAL FEE ON BRANDED PRESCRIPTION DRUG MANUFACTURERS.

(a) IN GENERAL.—The Patient Protection and Affordable Care Act is amended by striking section 9008.

(b) CONFORMING AMENDMENT.—Section 1841(a) of the Social Security Act is amended by striking ''or section 9008(c) of the Patient Protection and Affordable Care Act of 2009''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to calendar years beginning after December 31, 2011.

SEC. 13. REPEAL OF ANNUAL FEE ON HEALTH INSURANCE PROVIDERS.

(a) IN GENERAL.—The Patient Protection and Affordable Care Act is amended by striking section 9010.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to calendar years beginning after December 31, 2013.

SEC. 14. REPEAL OF STUDY AND REPORT ON REPEALED PROVISIONS.

The Patient Protection and Affordable Care Act is amended by striking section 9011.

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