

113TH CONGRESS  
1ST SESSION

# H. R. 2820

To amend the Internal Revenue Code of 1986 to provide for equity relating to medical costs.

---

IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2013

Mr. RIBBLE (for himself and Mr. HARRIS) 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 for equity relating to medical costs.

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 “Health Equity Act of  
5 2013”.

6 **SEC. 2. DEDUCTION FOR HEALTH INSURANCE COSTS IN**  
7 **COMPUTING SELF-EMPLOYMENT TAXES**  
8 **MADE PERMANENT.**

9 (a) IN GENERAL.—Subsection (l) of section 162 of  
10 the Internal Revenue Code of 1986 is amended by striking

1 paragraph (4) and by redesignating paragraph (5) as  
2 paragraph (4).

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

6 **SEC. 3. 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  
11 by redesignating section 224 as section 225 and by insert-  
12 ing after section 223 the following new section:

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

14 “(a) **IN GENERAL.**—In the case of an individual,  
15 there shall be allowed as a deduction an amount equal to  
16 the amount paid during the taxable year for coverage for  
17 the taxpayer, his spouse, and dependents under qualified  
18 health insurance.

19 “(b) **QUALIFIED HEALTH INSURANCE.**—For pur-  
20 poses of this section—

21 “(1) **IN GENERAL.**—The term ‘qualified health  
22 insurance’ means insurance which constitutes med-  
23 ical care.

24 “(2) **EXCEPTION.**—

1           “(A) IN GENERAL.—Paragraph (1) shall  
2           not apply to insurance substantially all of the  
3           coverage of which is of excepted benefits de-  
4           scribed in section 9832(c).

5           “(B) VISION AND DENTAL BENEFITS AL-  
6           LOWED.—Subparagraph (A) shall not apply to  
7           benefits described in section 9832(c)(2)(A).

8           “(c) SPECIAL RULES.—

9           “(1) COORDINATION WITH MEDICAL DEDUC-  
10          TION, ETC.—Any amount paid by a taxpayer for in-  
11          surance to which subsection (a) applies shall not be  
12          taken into account in computing the amount allow-  
13          able to the taxpayer as a deduction under section  
14          162(l) or 213(a). Any amount taken into account in  
15          determining the credit allowed under section 35 or  
16          36B shall not be taken into account for purposes of  
17          this section.

18          “(2) DEDUCTION NOT ALLOWED FOR SELF-EM-  
19          PLOYMENT TAX PURPOSES.—The deduction allow-  
20          able by reason of this section shall not be taken into  
21          account in determining an individual’s net earnings  
22          from self-employment (within the meaning of section  
23          1402(a)) for purposes of chapter 2.”.

24          (b) DEDUCTION ALLOWED IN COMPUTING AD-  
25          JUSTED GROSS INCOME.—Subsection (a) of section 62 of

1 such Code is amended by inserting before the last sentence  
2 the following new paragraph:

3           “(22) COSTS OF QUALIFIED HEALTH INSUR-  
4 ANCE.—The deduction allowed by section 224.”.

5       (c) CLERICAL AMENDMENT.—The table of sections  
6 for part VII of subchapter B of chapter 1 of such Code  
7 is amended by redesignating the item relating to section  
8 224 as an item relating to section 225 and inserting before  
9 such item the following new item:

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

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

13 **SEC. 4. FITNESS PROGRAMS, ATHLETIC CLUBS, FITNESS**  
14 **EQUIPMENT, AND WEIGHT LOSS PROGRAMS**  
15 **TREATED AS MEDICAL CARE.**

16       (a) TAX BENEFITS USING DEFINITION OF MEDICAL  
17 CARE.—Subsection (d) of section 213 of the Internal Rev-  
18 enue Code of 1986 is amended by adding at the end the  
19 following:

20           “(12) FITNESS PROGRAMS, ATHLETIC CLUBS,  
21 FITNESS EQUIPMENT, WEIGHT LOSS PROGRAMS.—

22           “(A) IN GENERAL.—An amount paid in  
23 connection with a membership in a fitness pro-  
24 gram or athletic club, fitness equipment, or

1 weight loss program shall be treated as an  
2 amount paid for medical care.

3 “(B) LIMITATION.—The amount taken  
4 into account under subsection (a) by reason of  
5 subparagraph (A) for any taxable year shall not  
6 exceed \$1,200.”.

7 (b) FLEXIBLE SPENDING ARRANGEMENTS AND  
8 HEALTH REIMBURSEMENT ARRANGEMENTS.—Section  
9 106 of such Code is amended by adding at the end the  
10 following:

11 “(g) FITNESS PROGRAMS, ATHLETIC CLUBS, FIT-  
12 NESS EQUIPMENT, WEIGHT LOSS PROGRAMS.—For pur-  
13 poses of this section and section 105—

14 “(1) IN GENERAL.—Reimbursement for ex-  
15 penses incurred for membership in a fitness program  
16 or athletic club, fitness equipment, or weight loss  
17 program shall be treated as a reimbursement for  
18 medical expenses.

19 “(2) LIMITATION.—The amount taken into ac-  
20 count under paragraph (1) for any taxable year shall  
21 not exceed \$1,200.”.

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

○