

Union Calendar No. 656

115TH CONGRESS
2D SESSION

H. R. 6306

[Report No. 115–847]

To amend the Internal Revenue Code of 1986 to increase the contribution limitation for health savings accounts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 3, 2018

Mr. PAULSEN introduced the following bill; which was referred to the Committee on Ways and Means

JULY 19, 2018

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on July 3, 2018]

A BILL

To amend the Internal Revenue Code of 1986 to increase the contribution limitation for health savings accounts, and for other purposes.

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 Care Security*
 5 *Act of 2018”.*

6 **SEC. 2. MAXIMUM CONTRIBUTION LIMIT TO HEALTH SAV-**
 7 **INGS ACCOUNT INCREASED TO AMOUNT OF**
 8 **DEDUCTIBLE AND OUT-OF-POCKET LIMITA-**
 9 **TION.**

10 *(a) SELF-ONLY COVERAGE.—Section 223(b)(2)(A) of*
 11 *the Internal Revenue Code of 1986 is amended by striking*
 12 *“\$2,250” and inserting “the amount in effect under sub-*
 13 *section (c)(2)(A)(i)(I)”.*

14 *(b) FAMILY COVERAGE.—Section 223(b)(2)(B) of such*
 15 *Code is amended by striking “\$4,500” and inserting “the*
 16 *amount in effect under subsection (c)(2)(A)(i)(II)”.*

17 *(c) CONFORMING AMENDMENTS.—Section 223(g)(1) of*
 18 *such Code is amended—*

19 *(1) by striking “subsections (b)(2) and” both*
 20 *places it appears and inserting “subsection”, and*

21 *(2) in subparagraph (B), by striking “deter-*
 22 *mined by” and all that follows through “‘calendar*
 23 *year 2003’.” and inserting “determined by sub-*
 24 *stituting ‘calendar year 2003’ for ‘calendar year*
 25 *2016’ in subparagraph (A)(i) thereof.”.*

1 (d) *EFFECTIVE DATE.*—*The amendments made by this*
 2 *section shall apply to taxable years beginning after Decem-*
 3 *ber 31, 2018.*

4 **SEC. 3. ALLOW BOTH SPOUSES TO MAKE CATCH-UP CON-**
 5 **TRIBUTIONS TO THE SAME HEALTH SAVINGS**
 6 **ACCOUNT.**

7 (a) *IN GENERAL.*—*Section 223(b)(5) of the Internal*
 8 *Revenue Code of 1986 is amended to read as follows:*

9 “(5) *SPECIAL RULE FOR MARRIED INDIVIDUALS*
 10 *WITH FAMILY COVERAGE.*—

11 “(A) *IN GENERAL.*—*In the case of individ-*
 12 *uals who are married to each other, if both*
 13 *spouses are eligible individuals and either spouse*
 14 *has family coverage under a high deductible*
 15 *health plan as of the first day of any month—*

16 “(i) *the limitation under paragraph*
 17 *(1) shall be applied by not taking into ac-*
 18 *count any other high deductible health plan*
 19 *coverage of either spouse (and if such*
 20 *spouses both have family coverage under*
 21 *separate high deductible health plans, only*
 22 *one such coverage shall be taken into ac-*
 23 *count),*

24 “(ii) *such limitation (after application*
 25 *of clause (i)) shall be reduced by the aggre-*

1 *gate amount paid to Archer MSAs of such*
2 *spouses for the taxable year, and*

3 *“(iii) such limitation (after applica-*
4 *tion of clauses (i) and (ii)) shall be divided*
5 *equally between such spouses unless they*
6 *agree on a different division.*

7 *“(B) TREATMENT OF ADDITIONAL CON-*
8 *TRIBUTION AMOUNTS.—If both spouses referred*
9 *to in subparagraph (A) have attained age 55 be-*
10 *fore the close of the taxable year, the limitation*
11 *referred to in subparagraph (A)(iii) which is*
12 *subject to division between the spouses shall in-*
13 *clude the additional contribution amounts deter-*
14 *mined under paragraph (3) for both spouses. In*
15 *any other case, any additional contribution*
16 *amount determined under paragraph (3) shall*
17 *not be taken into account under subparagraph*
18 *(A)(iii) and shall not be subject to division be-*
19 *tween the spouses.”.*

20 *(b) EFFECTIVE DATE.—The amendment made by this*
21 *section shall apply to taxable years beginning after Decem-*
22 *ber 31, 2018.*

1 **SEC. 4. SPECIAL RULE FOR CERTAIN MEDICAL EXPENSES**
2 **INCURRED BEFORE ESTABLISHMENT OF**
3 **HEALTH SAVINGS ACCOUNT.**

4 (a) *IN GENERAL.*—Section 223(d)(2) of the Internal
5 Revenue Code of 1986 is amended by adding at the end
6 the following new subparagraph:

7 “(D) *TREATMENT OF CERTAIN MEDICAL EX-*
8 *PENSES INCURRED BEFORE ESTABLISHMENT OF*
9 *ACCOUNT.*—If a health savings account is estab-
10 lished during the 60-day period beginning on the
11 date that coverage of the account beneficiary
12 under a high deductible health plan begins, then,
13 solely for purposes of determining whether an
14 amount paid is used for a qualified medical ex-
15 pense, such account shall be treated as having
16 been established on the date that such coverage
17 begins.”.

18 (b) *EFFECTIVE DATE.*—The amendment made by this
19 section shall apply with respect to coverage beginning after
20 December 31, 2018.

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