

Union Calendar No. 655

115TH CONGRESS
2^D SESSION

H. R. 6312

[Report No. 115–846]

To amend the Internal Revenue Code of 1986 to treat certain amounts paid for physical activity, fitness, and exercise as amounts paid for medical care.

IN THE HOUSE OF REPRESENTATIVES

JULY 6, 2018

Mr. SMITH of Missouri (for himself and Mr. KIND) introduced the following bill; which was referred to the Committee on Ways and Means

JULY 19, 2018

Additional sponsor: Mr. FITZPATRICK

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 *italie*]

[For text of introduced bill, see copy of bill as introduced on July 6, 2018]

A BILL

To amend the Internal Revenue Code of 1986 to treat certain amounts paid for physical activity, fitness, and exercise as amounts paid for medical care.

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 “Personal Health Invest-*
 5 *ment Today Act” or the “PHIT Act.”*

6 **SEC. 2. CERTAIN AMOUNTS PAID FOR PHYSICAL ACTIVITY,**
 7 **FITNESS, AND EXERCISE TREATED AS**
 8 **AMOUNTS PAID FOR MEDICAL CARE.**

9 *(a) IN GENERAL.—Section 213(d)(1) of the Internal*
 10 *Revenue Code of 1986 is amended by striking “or” at the*
 11 *end of subparagraph (C), by striking the period at the end*
 12 *of subparagraph (D) and inserting “, or”, and by adding*
 13 *at the end the following new subparagraph:*

14 *“(E) for qualified sports and fitness ex-*
 15 *penses.”.*

16 *(b) QUALIFIED SPORTS AND FITNESS EXPENSES.—*
 17 *Section 213(d) of such Code is amended by adding at the*
 18 *end the following paragraph:*

19 **“(12) QUALIFIED SPORTS AND FITNESS EX-**
 20 **PENSES.—**

21 **“(A) IN GENERAL.—The term ‘qualified**
 22 **sports and fitness expenses’ means amounts paid**
 23 **for—**

24 **“(i) membership at a fitness facility,**

1 “(ii) *participation or instruction in a*
 2 *program of physical exercise or physical ac-*
 3 *tivity, or*

4 “(iii) *safety equipment for use in a*
 5 *program (including a self-directed program)*
 6 *of physical exercise or physical activity.*

7 “(B) *DOLLAR LIMITATIONS.—*

8 “(i) *OVERALL LIMITATION.—The ag-*
 9 *gregate amount treated as qualified sports*
 10 *and fitness expenses with respect to any*
 11 *taxpayer for any taxable year shall not ex-*
 12 *ceed \$500 (twice such amount in the case of*
 13 *a joint return or a head of household (as de-*
 14 *defined in section 2(b))).*

15 “(ii) *SAFETY EQUIPMENT.—The*
 16 *amount treated as qualified sports and fit-*
 17 *ness expenses with respect to any item of*
 18 *safety equipment described in subparagraph*
 19 *(A)(iii) shall not exceed \$250.*

20 “(C) *CERTAIN EXCLUSIONS.—*

21 “(i) *IN GENERAL.—Golf, hunting, sail-*
 22 *ing, and horseback riding shall not be treat-*
 23 *ed as a physical exercise or physical activ-*
 24 *ity.*

1 “(ii) *EXERCISE VIDEOS, ETC.*—Quali-
2 *fied sports and fitness expenses shall not in-*
3 *clude videos, books, or similar materials.*

4 “(D) *FITNESS FACILITY DEFINED.*—For
5 *purposes of subparagraph (A)(i), the term ‘fit-*
6 *ness facility’ means a facility—*

7 “(i) *providing instruction in a pro-*
8 *gram of physical exercise or physical activ-*
9 *ity, offering facilities for the preservation,*
10 *maintenance, encouragement, or develop-*
11 *ment of physical fitness, or serving as the*
12 *site of such a program of a State or local*
13 *government,*

14 “(ii) *which is not a private club owned*
15 *and operated by its members,*

16 “(iii) *which does not offer facilities for*
17 *any activity described in subparagraph*
18 *(C)(i),*

19 “(iv) *whose health or fitness facility is*
20 *not incidental to its overall function and*
21 *purpose, and*

22 “(v) *which is fully compliant with ap-*
23 *plicable State and Federal anti-discrimina-*
24 *tion laws.*

“(E) *PROGRAMS WHICH INCLUDE COMPONENTS OTHER THAN PHYSICAL EXERCISE AND PHYSICAL ACTIVITY.*—*Rules similar to the rules of paragraph (6) shall apply in the case of any program that includes physical exercise or physical activity and also other components. For purposes of the preceding sentence, travel and accommodations shall be treated as an other component.*

“(F) *INFLATION ADJUSTMENT.*—*In the case of any taxable year beginning in a calendar year after 2019, the \$500 amount in subparagraph (B)(i) and the \$250 amount in subparagraph (B)(ii) shall each be increased by an amount equal to—*

“(i) *such dollar amount, multiplied by*

“(ii) *the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins, determined by substituting ‘calendar year 2018’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.*

If any increase determined under the preceding sentence is not a multiple of \$10, such increase

1 *shall be rounded to the next lowest multiple of*
2 *\$10.”.*

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

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