

116TH CONGRESS
1ST SESSION

H. R. 748

AN ACT

To amend the Internal Revenue Code of 1986 to repeal the excise tax on high cost employer-sponsored health coverage.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Middle Class Health
3 Benefits Tax Repeal Act of 2019”.

4 **SEC. 2. REPEAL OF EXCISE TAX ON HIGH COST EMPLOYER-**
5 **SPONSORED HEALTH COVERAGE.**

6 (a) IN GENERAL.—Chapter 43 of the Internal Rev-
7 enue Code of 1986 is amended by striking section 4980I.

8 (b) CONFORMING AMENDMENTS.—

9 (1) Section 6051 of such Code is amended—

10 (A) by striking “section 4980I(d)(1)” in
11 subsection (a)(14) and inserting “subsection
12 (g)”, and

13 (B) by adding at the end the following new
14 subsection:

15 “(g) APPLICABLE EMPLOYER-SPONSORED COV-
16 ERAGE.—For purposes of subsection (a)(14)—

17 “(1) IN GENERAL.—The term ‘applicable em-
18 ployer-sponsored coverage’ means, with respect to
19 any employee, coverage under any group health plan
20 made available to the employee by an employer
21 which is excludable from the employee’s gross in-
22 come under section 106, or would be so excludable
23 if it were employer-provided coverage (within the
24 meaning of such section 106).

25 “(2) EXCEPTIONS.—The term ‘applicable em-
26 ployer-sponsored coverage’ shall not include—

1 “(A) any coverage (whether through insur-
2 ance or otherwise) described in section
3 9832(c)(1) (other than subparagraph (G) there-
4 of) or for long-term care,

5 “(B) any coverage under a separate policy,
6 certificate, or contract of insurance which pro-
7 vides benefits substantially all of which are for
8 treatment of the mouth (including any organ or
9 structure within the mouth) or for treatment of
10 the eye, or

11 “(C) any coverage described in section
12 9832(c)(3) the payment for which is not exclud-
13 able from gross income and for which a deduc-
14 tion under section 162(l) is not allowable.

15 “(3) COVERAGE INCLUDES EMPLOYEE PAID
16 PORTION.—Coverage shall be treated as applicable
17 employer-sponsored coverage without regard to
18 whether the employer or employee pays for the cov-
19 erage.

20 “(4) GOVERNMENTAL PLANS INCLUDED.—Ap-
21 plicable employer-sponsored coverage shall include
22 coverage under any group health plan established
23 and maintained primarily for its civilian employees
24 by the Government of the United States, by the gov-
25 ernment of any State or political subdivision thereof,

1 or by any agency or instrumentality of any such gov-
 2 ernment.”.

3 (2) Section 9831(d)(1) of such Code is amend-
 4 ed by striking “except as provided in section
 5 4980I(f)(4)”.

6 (3) The table of sections for chapter 43 of such
 7 Code is amended by striking the item relating to sec-
 8 tion 4980I.

9 (c) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to taxable years beginning after
 11 December 31, 2019.

12 **SEC. 3. BUDGETARY EFFECTS.**

13 (a) STATUTORY PAYGO SCORECARDS.—The budg-
 14 etary effects of this Act shall not be entered on either
 15 PAYGO scorecard maintained pursuant to section 4(d) of
 16 the Statutory Pay-As-You-Go Act of 2010.

17 (b) SENATE PAYGO SCORECARDS.—The budgetary
 18 effects of this Act shall not be entered on any PAYGO
 19 scorecard maintained for purposes of section 4106 of H.
 20 Con. Res. 71 (115th Congress).

Passed the House of Representatives July 17, 2019.

Attest:

Clerk.

116TH CONGRESS
1ST Session

H. R. 748

AN ACT

To amend the Internal Revenue Code of 1986 to
repeal the excise tax on high cost employer-spon-
sored health coverage.