

104TH CONGRESS
1ST SESSION

H. R. 335

To amend the Internal Revenue Code of 1986 to restore and increase the deduction for the health insurance costs of self-employed individuals.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1995

Mr. NEAL (for himself, Mr. LEVIN, Mr. COYNE, and Mr. BACHUS) 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 restore and increase the deduction for the health insurance costs of self-employed individuals.

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. DEDUCTION FOR HEALTH INSURANCE COSTS**
4 **OF SELF-EMPLOYED INDIVIDUALS IN-**
5 **CREASED AND MADE PERMANENT.**

6 (a) IN GENERAL.—Paragraph (1) of section 162(l)
7 of the Internal Revenue Code of 1986 (relating to special
8 rules for health insurance costs of self-employed individ-
9 uals) is amended by striking “25 percent” and inserting
10 “the applicable percentage”.

1 (b) DEDUCTION MADE PERMANENT; APPLICABLE
2 PERCENTAGE.—Paragraph (6) of section 162(l) of such
3 Code is amended to read as follows:

4 “(6) APPLICABLE PERCENTAGE.—For purposes
5 of paragraph (1)—

In the case of taxable years beginning in calendar year:	The applicable percentage is:
1994 or 1995	25 percent
1996 or 1997	50 percent
1998 or thereafter	100 percent.”

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 1993.

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