

116TH CONGRESS  
1ST SESSION

# H. R. 748

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## 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.*



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