105TH CONGRESS 2D SESSION

H. R. 4167

To amend the Internal Revenue Code of 1986 to allow a refundable credit to military retirees for premiums paid for coverage under Medicare part B.

IN THE HOUSE OF REPRESENTATIVES

June 25, 1998

Mrs. Emerson (for herself, Mr. McHugh, Mr. Calvert, Mr. Watts of Oklahoma, Ms. Danner, Mr. Romero-Barceló, Mr. Blunt, and Mr. Barr of Georgia) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to allow a refundable credit to military retirees for premiums paid for coverage under Medicare part B.

- 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 "Military Retiree Health
- 5 Care Relief Act".

| 1 | SEC. 2. PREMIUMS PAID BY MILITARY RETIREES FOR MEDI- |
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| 2 | CARE PART B. |
| 3 | (a) In General.—Subpart C of part IV of sub- |
| 4 | chapter A of chapter 1 of the Internal Revenue Code of |
| 5 | 1986 (relating to refundable credits) is amended by redes- |
| 6 | ignating section 35 as section 36 and by inserting after |
| 7 | section 34 the following new section: |
| 8 | "SEC. 35. PREMIUMS PAID BY MILITARY RETIREES FOR |
| 9 | MEDICARE PART B. |
| 10 | "(a) Allowance of Credit.—In the case of an eli- |
| 11 | gible individual, there shall be allowed as a credit against |
| 12 | the tax imposed by this chapter for the taxable year an |
| 13 | amount equal to the aggregate premiums paid under sec- |
| 14 | tion 1840 of the Social Security Act by the taxpayer dur- |
| 15 | ing the taxable year for enrollment of the eligible individ- |
| 16 | ual under part B of title XVIII of such Act. |
| 17 | "(b) Eligible Individual.—For purposes of sub- |
| 18 | section (a), the term 'eligible individual' means— |
| 19 | "(1) an individual who is entitled to retired or |
| 20 | retainer pay based upon service in the uniformed |
| 21 | services (as defined in section 101 of title 10, United |
| 22 | States Code), |
| 23 | "(2) the spouse (as determined under section |
| 24 | 7703) of an individual described in paragraph (1), |
| 25 | and |

1 "(3) the widow or widower, as the case may be, 2 of an individual described in paragraph (1).". 3 (b) Technical Amendments.— (1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by striking "or 5 enacted" and inserting "enacted" and by inserting 6 before the period ", or from section 35 of such 7 Code". 8 9 (2) The table of sections for subpart C of part 10 IV of subchapter A of chapter 1 of such Code is 11 amended by striking the last item and inserting the 12 following new items: "Sec. 35. Premiums paid by military retirees for medicare part "Sec. 36. Overpayments of tax.". 13 (c) Effective Date.—The amendments made by this section shall apply to expenses incurred after December 31, 1997. 15 SEC. 3. ELIMINATION OF MEDICARE PART B PREMIUM PEN-17 ALTY. 18 (a) IN GENERAL.—Section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)) is amended by adding at the end the following: "Any increase in an individual's 20 monthly premium under the first sentence of this sub-22 section shall not be applicable with respect to an eligible individual (or dependent of such an individual), as defined

in section 25B(b) of the Internal Revenue Code of 1986.".

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) shall apply to premiums for months begin-

3 ning after the date of the enactment of this Act.

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