

107TH CONGRESS
2^D SESSION

H. R. 5304

To amend the Internal Revenue Code of 1986 to allow the deduction for health insurance costs of self-employed individuals to be allowed in computing self-employment taxes.

IN THE HOUSE OF REPRESENTATIVES

JULY 26, 2002

Ms. SANCHEZ (for herself, Mr. PAUL, Mr. SHIMKUS, Mr. MCINTYRE, Ms. CARSON of Indiana, Mr. SANDERS, and Mr. HOEFFEL) 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 allow the deduction for health insurance costs of self-employed individuals to be allowed in computing self-employment taxes.

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 “Self-Employed Health
5 Equity Adjustment to Lower Tax Hindrance Act”.

1 **SEC. 2. ALLOWANCE OF HEALTH INSURANCE DEDUCTION**
2 **FOR SELF-EMPLOYED INDIVIDUALS FOR PUR-**
3 **POSES OF SELF-EMPLOYMENT TAX.**

4 (a) **IN GENERAL.**—Section 162(l) of the Internal
5 Revenue Code of 1986 (relating to special rules for health
6 insurance costs of self-employed individuals) is amended
7 by striking paragraph (4) (relating to deduction not al-
8 lowed for self-employment tax purposes) and redesignating
9 paragraph (5) as paragraph (4).

10 (b) **EFFECTIVE DATE.**—The amendment made by
11 this section shall apply to taxable years beginning after
12 December 31, 2002.

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