

113TH CONGRESS
2D SESSION

H. R. 3986

To amend the Internal Revenue Code of 1986 to adjust the phaseout of the health insurance tax credit for geographic variations in the cost-of-living.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2014

Mr. THOMPSON of California (for himself, Ms. ESHOO, Ms. MATSUI, Ms. SPEIER, Mr. HONDA, Ms. LOFGREN, Mr. FARR, Mrs. CAPPs, Mr. SCHIFF, Mr. LOWENTHAL, Mr. LARSON of Connecticut, Ms. ESTY, Mr. ISRAEL, Mrs. LOWEY, Mr. NADLER, Ms. CLARKE of New York, Mr. BISHOP of New York, Mrs. NEGRETE McLEOD, and Mr. PETERS of California) 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 adjust the phaseout of the health insurance tax credit for geographic variations in the cost-of-living.

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 “Fair Access to Health
5 Care Act”.

1 **SEC. 2. PHASEOUT OF HEALTH INSURANCE TAX CREDIT**
2 **ADJUSTED TO TAKE INTO ACCOUNT GEO-**
3 **GRAPHIC VARIATION IN THE COST-OF-LIV-**
4 **ING.**

5 (a) IN GENERAL.—Section 36B(b) of the Internal
6 Revenue Code of 1986 is amended by adding at the end
7 the following new paragraph:

8 “(4) GEOGRAPHIC ADJUSTMENT FOR COST-OF-
9 LIVING.—

10 “(A) IN GENERAL.—In the case of a tax-
11 payer whose principal place of residence for any
12 taxable year is located in a high cost area, there
13 shall be substituted for each specified amount
14 an amount which bears the same proportion to
15 such specified amount as the SPM with respect
16 to such high cost area bears to the national av-
17 erage SPM.

18 “(B) HIGH COST AREA.—For purposes of
19 this paragraph, the term ‘high cost area’ means
20 any metropolitan statistical area or non-metro-
21 politan area the SPM for which exceeds the na-
22 tional average SPM.

23 “(C) SPECIFIED AMOUNTS.—For purposes
24 of this paragraph, the term ‘specified amount’
25 means each of the following:

1 “(i) The ‘400’ amount contained in
2 the table in paragraph (3)(A)(i).

3 “(ii) The ‘400’ amount contained in
4 subsection (c)(1)(A).

5 “(D) SPM.—For purposes of this para-
6 graph—

7 “(i) IN GENERAL.—The term ‘SPM’
8 means, with respect to each calendar year,
9 the Supplemental Poverty Measure as de-
10 termined by the Bureau of the Census.

11 “(ii) NATIONAL AVERAGE SPM.—The
12 national average SPM shall be determined
13 without regard to Alaska and Hawaii.

14 “(iii) DETERMINATION FOR TAXABLE
15 YEAR BASED ON PRECEDING CALENDAR
16 YEAR.—SPM with respect to any taxable
17 year shall be determined on the basis of
18 the calendar year preceding the calendar
19 year in which the taxable year begins.

20 “(E) ALTERNATIVE MEASURE OF COST-OF-
21 LIVING.—If the Secretary determines that an-
22 other measure of cost-of-living is more appro-
23 priate than the SPM for purposes of this para-
24 graph, the Secretary shall use such measure in
25 lieu of the SPM.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 the date of the enactment of this Act.

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