

114TH CONGRESS  
1ST SESSION

# H. R. 1218

To amend the Internal Revenue Code of 1986 to treat certain amounts paid for physical activity, fitness, and exercise as amounts paid for medical care.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 2015

Mr. BOUSTANY (for himself and Mr. KIND) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to treat certain amounts paid for physical activity, fitness, and exercise as amounts paid for medical care.

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 “Personal Health In-  
5 vestment Today Act” or the “PHIT Act.”

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds that—

1           (1) almost 20 percent of American children be-  
2           tween the ages of 2 and 19 are overweight or suffer  
3           from obesity;

4           (2) 8 of the 9 most expensive illnesses in the  
5           United States are more common among overweight  
6           and obese individuals;

7           (3) according to the Centers for Disease Con-  
8           trol and Prevention, the increase in the number of  
9           overweight and obese Americans between 1987 and  
10          2001 resulted in a 27 percent increase in per capita  
11          health care costs;

12          (4) the World Health Organization determined  
13          that in the United States a \$1 investment in phys-  
14          ical activity alone (in time and equipment) would re-  
15          duce medical expenses by \$3.20;

16          (5) research indicates that 2 in 5 Americans  
17          would become more physically active if offered a fi-  
18          nancial incentive;

19          (6) the United States ranks last in the world in  
20          reducing the number of preventable deaths resulting  
21          from obesity-related chronic illnesses; and

22          (7) engaging in physical activities at young ages  
23          when children are learning lifelong behaviors can  
24          have a significant impact on their long-term health.

1 (b) PURPOSE.—The purpose of this Act is to promote  
2 health and prevent disease, particularly diseases related  
3 to being overweight and obese, by—

4 (1) encouraging healthier lifestyles;

5 (2) providing financial incentives to ease the fi-  
6 nancial burden of engaging in healthy behavior; and

7 (3) increasing the ability of individuals and  
8 families to participate in physical fitness activities.

9 **SEC. 3. CERTAIN AMOUNTS PAID FOR PHYSICAL ACTIVITY,**  
10 **FITNESS, AND EXERCISE TREATED AS**  
11 **AMOUNTS PAID FOR MEDICAL CARE.**

12 (a) IN GENERAL.—Section 213(d)(1) of the Internal  
13 Revenue Code of 1986 is amended by striking “or” at the  
14 end of subparagraph (C), by striking the period at the end  
15 of subparagraph (D) and inserting “, or”, and by adding  
16 at the end the following new subparagraph:

17 “(E) for qualified sports and fitness ex-  
18 penses.”.

19 (b) QUALIFIED SPORTS AND FITNESS EXPENSES.—  
20 Section 213(d) of such Code is amended by adding at the  
21 end the following paragraph:

22 “(12) QUALIFIED SPORTS AND FITNESS EX-  
23 PENSES.—

1           “(A) IN GENERAL.—The term ‘qualified  
2 sports and fitness expenses’ means amounts  
3 paid—

4                   “(i) for membership at a fitness facil-  
5 ity,

6                   “(ii) for participation or instruction in  
7 a program of physical exercise or physical  
8 activity, and

9                   “(iii) for equipment for use in a pro-  
10 gram (including a self-directed program) of  
11 physical exercise or physical activity.

12           “(B) OVERALL DOLLAR LIMITATION.—The  
13 aggregate amount treated as qualified sports  
14 and fitness expenses with respect to any tax-  
15 payer for any taxable year shall not exceed  
16 \$1,000 (\$2,000 in the case of a joint return or  
17 a head of household (as defined in section  
18 2(b))).

19           “(C) FITNESS FACILITY DEFINED.—For  
20 purposes of subparagraph (A)(i), the term ‘fit-  
21 ness facility’ means a facility—

22                   “(i) providing instruction in a pro-  
23 gram of physical exercise, offering facilities  
24 for the preservation, maintenance, encour-  
25 agement, or development of physical fit-

1                   ness, or serving as the site of such a pro-  
2                   gram of a State or local government,

3                   “(ii) which is not a private club owned  
4                   and operated by its members,

5                   “(iii) which does not offer golf, hunt-  
6                   ing, sailing, or riding facilities,

7                   “(iv) whose health or fitness facility is  
8                   not incidental to its overall function and  
9                   purpose, and

10                  “(v) which is fully compliant with the  
11                  State of jurisdiction and Federal anti-dis-  
12                  crimination laws.

13                  “(D) TREATMENT OF EXERCISE VIDEOS,  
14                  ETC.—Videos, books, and similar materials  
15                  shall be treated as described in subparagraph  
16                  (A)(ii) if the content of such materials con-  
17                  stitute instruction in a program of physical ex-  
18                  ercise or physical activity.

19                  “(E) LIMITATIONS RELATED TO SPORTS  
20                  AND FITNESS EQUIPMENT.—Amounts paid for  
21                  equipment described in subparagraph (A)(iii)  
22                  shall be treated as a qualified sports and fitness  
23                  expense only—

24                  “(i) if such equipment is utilized ex-  
25                  clusively for participation in fitness, exer-

1 cise, sport, or other physical activity pro-  
2 grams,

3 “(ii) if such equipment is not apparel  
4 or footwear, and

5 “(iii) in the case of any item of sports  
6 equipment (other than exercise equip-  
7 ment), with respect to so much of the  
8 amount paid for such item as does not ex-  
9 ceed \$250.

10 “(F) PROGRAMS WHICH INCLUDE COMPO-  
11 NENTS OTHER THAN PHYSICAL EXERCISE AND  
12 PHYSICAL ACTIVITY.—Rules similar to the rules  
13 of section 213(d)(6) shall apply in the case of  
14 any program that includes physical exercise or  
15 physical activity and also other components.  
16 For purposes of the preceding sentence, travel  
17 and accommodations shall be treated as an  
18 other component.”.

19 (c) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to taxable years beginning after  
21 the date of the enactment of this Act.

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