

114TH CONGRESS  
2D SESSION

# H. R. 6445

To amend title 38, United States Code, and the Internal Revenue Code of 1986 to establish, in the event of any war, a war tax to be collected and deposited in a trust fund for the payment of benefits and compensation to veterans of that war.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2016

Mr. O'ROURKE (for himself, Mr. YOUNG of Alaska, Mr. MOULTON, and Mr. JONES) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Veterans' Affairs, 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

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## A BILL

To amend title 38, United States Code, and the Internal Revenue Code of 1986 to establish, in the event of any war, a war tax to be collected and deposited in a trust fund for the payment of benefits and compensation to veterans of that war.

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 “Veterans Health Care  
5 Trust Fund Act”.

1 **SEC. 2. SENSE OF CONGRESS.**

2 It is the sense of Congress that—

3 (1) war is inherently unpredictable, and the  
4 true cost of health care related to conflicts is often  
5 not fully understood until several decades later;

6 (2) an independent estimate from Harvard Uni-  
7 versity found that over the next 40–50 years, the  
8 costs related to health care and disability compensa-  
9 tion for the wars in Iraq and Afghanistan will exceed  
10 \$970 billion;

11 (3) this is evidenced by the growing treatment  
12 costs for conditions related to Agent Orange expo-  
13 sure in Vietnam Veterans, Gulf War Syndrome in  
14 Gulf War Veterans, and conditions related to burn  
15 pit exposure in Iraq and Afghanistan Veterans; and

16 (4) taking steps to address these costs now en-  
17 sures that Congress fully accounts for these costs  
18 when considering the use of military force and that  
19 our Nation is better postured to address the long-  
20 term and unforeseen health care needs of its vet-  
21 erans.

22 **SEC. 3. WAR TRUST FUNDS.**

23 (a) IN GENERAL.—Chapter 1 of title 38, United  
24 States Code, is amended by adding at the end the fol-  
25 lowing new section:

1 **“§ 119. War trust funds**

2 “(a) ESTABLISHMENT.—Upon the commencement of  
3 any war, the Secretary shall establish in the General Fund  
4 of the Treasury a trust fund to be named for that war.  
5 Amounts collected pursuant to section 59A of the Internal  
6 Revenue Code of 1986 by reason of the occurrence of that  
7 war shall be deposited into the fund.

8 “(b) USE OF FUNDS.—Amounts available in a trust  
9 fund established under subsection (a) for a war may be  
10 used by the Secretary to provide for the following for vet-  
11 erans who serve on active duty in the Armed Forces dur-  
12 ing that war:

13 “(1) Hospital care and medical services.

14 “(2) Payments of disability compensation under  
15 the laws administered by the Secretary.

16 “(3) Other programs and benefits under the  
17 laws administered by the Secretary that the Sec-  
18 retary determines are directly related to the health  
19 care of such veterans.

20 “(c) CONCURRENT WARS.—If more than one war oc-  
21 curs concurrently, the Secretary shall establish a separate  
22 trust fund under subsection (a) for each such war.

23 “(d) REPORTS.—(1) Not later than 30 days after the  
24 Secretary first makes a withdrawal from a trust fund es-  
25 tablished under this section, and every 30 days thereafter  
26 until the Secretary makes the final withdrawal from the

1 fund, the Secretary shall submit to the Committees on  
2 Veterans' Affairs of the Senate and House of Representa-  
3 tives, the Committee on Finance of the Senate, and the  
4 Committee on Ways and Means of the House of Rep-  
5 resentatives a report describing the intended use of the  
6 amounts withdrawn from the fund during the period cov-  
7 ered by the report.

8       “(2) For any fiscal year during which the Secretary  
9 makes a withdrawal from a fund established under this  
10 section, the Comptroller General of the United States shall  
11 conduct an audit of the consolidated financial statements  
12 relating to the fund, as prepared by the Department of  
13 the Treasury. Not later than 30 days after the last day  
14 of such a fiscal year, the Comptroller General shall submit  
15 to the Committees on Veterans' Affairs of the Senate and  
16 House of Representatives, the Committee on Finance of  
17 the Senate, and the Committee on Ways and Means of  
18 the House of Representatives a report containing the re-  
19 sults of the audit.

20       “(e) WAR DEFINED.—In this section, the term ‘war’  
21 means any use of the Armed Forces pursuant to any of  
22 the following:

23               “(1) A war conducted pursuant to a declaration  
24               of war by Congress.

1           “(2) The War Powers Resolution (Public Law  
2           93–148; 50 U.S.C. 1541 et seq.).

3           “(3) The Authorization for Use of Military  
4           Force (Public Law 107–40; 50 U.S.C. 1541 note).

5           “(4) Any other authorization for use of military  
6           force enacted on or after the date of the enactment  
7           of this Act.”.

8           (b) CLERICAL AMENDMENT.—The table of sections  
9           at the beginning of such chapter is amended by adding  
10          at the end the following new item:

“119. War trust funds.”.

11   **SEC. 4. WAR TAX.**

12          (a) IN GENERAL.—Subchapter A of chapter 1 of the  
13          Internal Revenue Code of 1986 is amended by inserting  
14          after part VI the following new part:

15                                   **“PART VII—WAR TAX**

“Sec. 59A. War tax.

16   **“SEC. 59A. WAR TAX.**

17          “(a) IN GENERAL.—In the case of a covered indi-  
18          vidual, there is hereby imposed (in addition to any other  
19          tax imposed by this subtitle) with respect to each war oc-  
20          curring at any time during the taxable year a tax deter-  
21          mined under the following table:

<b>“If adjusted gross income of the taxpayer is:</b>	<b>The tax is:</b>
Less than \$30,000 .....	\$25
At least \$30,000 but less than \$40,000 .....	\$57
At least \$40,000 but less than \$50,000 .....	\$98

**“If adjusted gross income of the taxpayer is:**

	<b>The tax is:</b>
At least \$50,000 but less than \$75,000 .....	\$164
At least \$75,000 but less than \$100,000 .....	\$270
At least \$100,000 but less than \$200,000 .....	\$485
At least \$200,000 .....	\$1,000.

1       “(b) DEFINITIONS AND SPECIAL RULES.—For pur-  
2 poses of this section—

3               “(1) WAR.—The term ‘war’ means any use of  
4 the Armed Forces pursuant to any of the following:

5                       “(A) A war conducted pursuant to a dec-  
6 laration of war by Congress.

7                       “(B) The War Powers Resolution (Public  
8 Law 93–148; 50 U.S.C. 1541 et seq.).

9                       “(C) The Authorization for Use of Military  
10 Force (Public Law 107–40; 50 U.S.C. 1541  
11 note).

12                      “(D) Any other authorization for use of  
13 military force enacted on or after the date of  
14 the enactment of this Act.

15               “(2) COVERED INDIVIDUAL.—The term ‘cov-  
16 ered individual’ means any individual who has not  
17 served on active duty in the Armed Forces of the  
18 United States.

19               “(3) ENUMERATION OF WARS.—The Secretary  
20 shall in forms and guidance enumerate each war  
21 with respect to which a tax is imposed by subsection  
22 (a) for any taxable year.

1       “(c) NOT TREATED AS TAX IMPOSED BY THIS CHAP-  
2 TER FOR CERTAIN PURPOSES.—The tax imposed under  
3 this section shall not be treated as tax imposed by this  
4 chapter for purposes of determining the amount of any  
5 credit under this chapter or for purposes of section 55.”.

6       (b) SECTION 15 NOT TO APPLY.—The amendment  
7 made by subsection (a) shall not be treated as a change  
8 in a rate of tax for purposes of section 15 of the Internal  
9 Revenue Code of 1986.

10       (c) CLERICAL AMENDMENT.—The table of parts for  
11 subchapter A of chapter 1 of such Code is amended by  
12 inserting after the item relating to part VI the following  
13 new item:

“PART VII—WAR TAX”.

14       (d) EFFECTIVE DATE.—The amendments made by  
15 this section shall apply to taxable years beginning after  
16 December 31, 2016.

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