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119TH CONGRESS
1ST SESSION

H. R. 6316

To amend the Internal Revenue Code of 1986 to extend the premium tax credit and provide for advance payment of the credit to taxpayers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 25, 2025

Mr. VAN DREW introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and 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

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A BILL

To amend the Internal Revenue Code of 1986 to extend the premium tax credit and provide for advance payment of the credit to taxpayers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Credit Extension Act".

SEC. 2. EXTENSION AND MODIFICATION OF INCREASED PREMIUM TAX CREDIT.

(a) EXTENSION.—Section 36B(b)(3)(A)(iii) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''January 1, 2026'' and inserting ''January 1, 2028'',

(2) by striking ''THROUGH 2025'' in the heading thereof and inserting ''THROUGH 2027''.

(b) HOUSEHOLD INCOME CAP.—

(1) IN GENERAL.—The table in section 36B(b)(A)(3)(iii) of such Code is amended by striking ''and higher'' and inserting ''up to 700.0 percent''.

(2) CONFORMING AMENDMENT.—Section 36B(c)(1)(E) of such Code is amended—

(A) by striking ''shall be applied without regard to'' and inserting ''shall be applied by substituting 'but does not exceed 700 percent' for'', and

(B) by striking ''THROUGH 2025'' in the heading and inserting ''THROUGH 2027''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 3. ADVANCE PAYMENT OF PREMIUM TAX CREDIT MADE DIRECTLY TO INDIVIDUALS OR TO PERSONAL HSA.

(a) IN GENERAL.—Section 1412(a)(3) of the Patient Protection and Affordable Care Act is amended—

(1) by striking "credit or reductions to the issuers" and inserting the following: "credit or reductions—

"(A) on the election of the individual, to the issuer",

(2) by striking the period at the end and inserting ", and", and

(3) by adding at the end the following new subparagraph:

"(B) in the case of an individual who is covered under a plan in the bronze level, or a catastrophic plan, and who so elects, to the personal HSA (as defined in section 223(h) of the Internal Revenue Code of 1986) of the individual,

"(C) in the absence of either such election, to individuals.".

(b) PERSONAL HSAS.—Section 223 of the Internal Revenue Code of 1986 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) PERSONAL HSAs.—

"(1) IN GENERAL.—An individual may elect to designate a health savings account as, or establish in a health savings account a separate account to be treated as, a Personal HSA.

"(2) PERSONAL HSA.—A personal HSA shall be treated for purposes of this section in the same manner as a health savings account, except that—

"(A) no contributions may be made to a personal HSA other than advance payments made by the Secretary under section 1412(a)(3)(B) of the Patient Protection and Affordable Care Act or amounts rolled over from another personal HSA of the account beneficiary,

"(B) such contributions shall not be taken into account under subsection (a), and

"(C) subsection (d) shall be applied without regard to paragraph (2)(B).".

(c) EFFECTIVE DATE.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to determinations made after December 31, 2025.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to taxable years ending after December 31, 2025.

SEC. 4. MINIMUM PREMIUM RESPONSIBILITY.

(a) IN GENERAL.—Section 36B(b)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new flush matter:

"The premium assistance amount for any coverage month shall not exceed an amount equal to the excess of the monthly premium amount determined for such month under subparagraph (A), reduced by such uniform minimum premium responsibility amount as the Secretary, in consultation with the Secretary of Health and Human Services, may prescribe for coverage months beginning during a year.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR COST-SHARING REDUCTION PAYMENTS.

There are authorized to be appropriated to carry out the payment of cost-sharing reductions under section 1412 of the Patient Protection and Affordable Care Act such amounts as the Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, determines are necessary.

SEC. 6. DETERMINATION OF IMMIGRATION STATUS FOR PREMIUM TAX CREDIT.

(a) IN GENERAL.—Section 35B(c)(5) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

"(G) DETERMINATION OF LEGAL STATUS.—The Secretary and the Secretary of Health and Human Services shall, in consultation with the Secretary of Homeland Security, assist Exchanges with determining whether alien individuals are lawfully present in the United States, and, in the case of taxable years beginning after December 31, 2026, whether alien individuals are eligible aliens.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 7. SENSE OF CONGRESS REGARDING ALIENS.

It is the sense of Congress that no credit shall be allowed under section 36B of the Internal Revenue Code of 1986 with respect to any individual who is an alien not lawfully present in the United States, and in the case of taxable years beginning after December 31, 2026, with respect to any individual who is an alien not lawfully present or, in the case of an alien lawfully present, an individual who is not an eligible alien.

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