

Union Calendar No. 27

112TH CONGRESS
1ST SESSION

H. R. 1232

[Report No. 112-55]

To amend the Internal Revenue Code of 1986 to eliminate certain tax benefits relating to abortion.

IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 2011

Mr. CAMP introduced the following bill; which was referred to the Committee on Ways and Means

APRIL 6, 2011

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on March 29, 2011]

A BILL

To amend the Internal Revenue Code of 1986 to eliminate certain tax benefits relating to abortion.

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. DEDUCTION FOR MEDICAL EXPENSES NOT AL-**
4 **LOWED FOR ABORTIONS.**

5 *(a) IN GENERAL.—Section 213 of the Internal Revenue*
6 *Code of 1986 is amended by adding at the end the following*
7 *new subsection:*

8 *“(g) AMOUNTS PAID FOR ABORTION NOT TAKEN INTO*
9 *ACCOUNT.—*

10 *“(1) IN GENERAL.—An amount paid during the*
11 *taxable year for an abortion shall not be taken into*
12 *account under subsection (a).*

13 *“(2) EXCEPTIONS.—Paragraph (1) shall not*
14 *apply to—*

15 *“(A) an abortion—*

16 *“(i) in the case of a pregnancy that is*
17 *the result of an act of rape or incest, or*

18 *“(ii) in the case where a woman suffers*
19 *from a physical disorder, physical injury,*
20 *or physical illness that would, as certified*
21 *by a physician, place the woman in danger*
22 *of death unless an abortion is performed,*
23 *including a life-endangering physical condi-*
24 *tion caused by or arising from the preg-*
25 *nancy, and*

1 “(B) the treatment of any infection, injury,
2 disease, or disorder that has been caused by or
3 exacerbated by the performance of an abortion.”.

4 (b) *EFFECTIVE DATE.*—The amendment made by this
5 section shall apply to taxable years beginning after the date
6 of the enactment of this Act.

7 **SEC. 2. DISALLOWANCE OF REFUNDABLE CREDIT FOR COV-**
8 **ERAGE UNDER QUALIFIED HEALTH PLAN**
9 **WHICH PROVIDES COVERAGE FOR ABORTION.**

10 (a) *IN GENERAL.*—Subparagraph (A) of section
11 36B(c)(3) of the Internal Revenue Code of 1986 is amended
12 by inserting before the period at the end the following: “or
13 any health plan that includes coverage for abortions (other
14 than any abortion or treatment described in section
15 213(g)(2))”.

16 (b) *OPTION TO PURCHASE OR OFFER SEPARATE COV-*
17 *ERAGE OR PLAN.*—Paragraph (3) of section 36B(c) of such
18 Code is amended by adding at the end the following new
19 subparagraph:

20 “(C) *SEPARATE ABORTION COVERAGE OR*
21 *PLAN ALLOWED.*—

22 “(i) *OPTION TO PURCHASE SEPARATE*
23 *COVERAGE OR PLAN.*—Nothing in subpara-
24 graph (A) shall be construed as prohibiting
25 any individual from purchasing separate

1 *coverage for abortions described in such sub-*
2 *paragraph, or a health plan that includes*
3 *such abortions, so long as no credit is al-*
4 *lowed under this section with respect to the*
5 *premiums for such coverage or plan.*

6 “(ii) *OPTION TO OFFER COVERAGE OR*
7 *PLAN.—Nothing in subparagraph (A) shall*
8 *restrict any non-Federal health insurance*
9 *issuer offering a health plan from offering*
10 *separate coverage for abortions described in*
11 *such subparagraph, or a plan that includes*
12 *such abortions, so long as premiums for*
13 *such separate coverage or plan are not paid*
14 *for with any amount attributable to the*
15 *credit allowed under this section (or the*
16 *amount of any advance payment of the*
17 *credit under section 1412 of the Patient*
18 *Protection and Affordable Care Act).”.*

19 *(c) EFFECTIVE DATE.—The amendment made by this*
20 *section shall apply to taxable years ending after December*
21 *31, 2013.*

1 **SEC. 3. DISALLOWANCE OF SMALL EMPLOYER HEALTH IN-**
2 **SURANCE EXPENSE CREDIT FOR PLAN WHICH**
3 **INCLUDES COVERAGE FOR ABORTION.**

4 (a) *IN GENERAL.*—*Subsection (h) of section 45R of the*
5 *Internal Revenue Code of 1986 is amended—*

6 (1) *by striking “Any term” and inserting the fol-*
7 *lowing:*

8 “(1) *IN GENERAL.*—*Any term*”, and

9 (2) *by adding at the end the following new para-*
10 *graph:*

11 “(2) *EXCLUSION OF HEALTH PLANS INCLUDING*
12 *COVERAGE FOR ABORTION.*—*The terms ‘qualified*
13 *health plan’ and ‘health insurance coverage’ shall not*
14 *include any health plan or benefit that includes cov-*
15 *erage for abortions (other than any abortion or treat-*
16 *ment described in section 213(g)(2)).”.*

17 (b) *EFFECTIVE DATE.*—*The amendments made by this*
18 *section shall apply to taxable years beginning after the date*
19 *of the enactment of this Act.*

20 **SEC. 4. DISTRIBUTIONS FOR ABORTION EXPENSES FROM**
21 **CERTAIN ACCOUNTS AND ARRANGEMENTS**
22 **INCLUDED IN GROSS INCOME.**

23 (a) *FLEXIBLE SPENDING ARRANGEMENTS UNDER*
24 *CAFETERIA PLANS.*—*Section 125 of the Internal Revenue*
25 *Code of 1986 is amended by redesignating subsections (k)*

1 *and (l) as subsections (l) and (m), respectively, and by in-*
2 *serting after subsection (j) the following new subsection:*

3 “(k) *ABORTION REIMBURSEMENT FROM FLEXIBLE*
4 *SPENDING ARRANGEMENT INCLUDED IN GROSS INCOME.—*
5 *Notwithstanding section 105(b), gross income shall include*
6 *any reimbursement for expenses incurred for an abortion*
7 *(other than any abortion or treatment described in section*
8 *213(g)(2)) from a health flexible spending arrangement pro-*
9 *vided under a cafeteria plan. Such reimbursement shall not*
10 *fail to be a qualified benefit for purposes of this section*
11 *merely as a result of such inclusion in gross income.”.*

12 (b) *ARCHER MSAS.—Paragraph (1) of section 220(f)*
13 *of such Code is amended by inserting before the period at*
14 *the end the following: “, except that any such amount used*
15 *to pay for an abortion (other than any abortion or treat-*
16 *ment described in section 213(g)(2)) shall be included in*
17 *the gross income of such holder”.*

18 (c) *HSAs.—Paragraph (1) of section 223(f) of such*
19 *Code is amended by inserting before the period at the end*
20 *the following: “, except that any such amount used to pay*
21 *for an abortion (other than any abortion or treatment de-*
22 *scribed in section 213(g)(2)) shall be included in the gross*
23 *income of such beneficiary”.*

24 (d) *EFFECTIVE DATES.—*

1 (1) *FSA REIMBURSEMENTS.*—*The amendment*
2 *made by subsection (a) shall apply to expenses in-*
3 *curring with respect to taxable years beginning after*
4 *the date of the enactment of this Act.*

5 (2) *DISTRIBUTIONS FROM SAVINGS ACCOUNTS.*—
6 *The amendments made by subsection (b) and (c) shall*
7 *apply to amounts paid with respect to taxable years*
8 *beginning after the date of the enactment of this Act.*

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