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II

117TH CONGRESS
1ST SESSION

S. 1654

To amend the Internal Revenue Code of 1986 to include certain over-the-counter dietary supplement products as qualified medical expenses.

IN THE SENATE OF THE UNITED STATES

MAY 17, 2021

Mr. CRAMER introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend the Internal Revenue Code of 1986 to include certain over-the-counter dietary supplement products as qualified medical expenses.

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

SECTION 1. INCLUSION OF DIETARY SUPPLEMENT PRODUCTS AS QUALIFIED MEDICAL EXPENSES.

(a) HSAS.—Section 223(d)(2) of the Internal Revenue Code of 1986 is amended—

(1) by inserting "or dietary supplement products" after "menstrual care products" in the last sentence of subparagraph (A); and

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

"(E) DIETARY SUPPLEMENT PRODUCT.—For purposes of this paragraph, the term 'dietary supplement product' means a nutritional product that is labeled with—

"(i) a statement describing how the product is intended to affect the structure or function of the human body, or

"(ii) a statement characterizing the mechanism by which the product acts to maintain such structure or function.".

(b) ARCHER MSAS.—The last sentence of section 220(d)(2)(A) of such Code is amended by inserting "or dietary supplement products (as defined in section 223(d)(2)(E))" after "menstrual care products (as defined in section 223(d)(2)(D))".

(c) HEALTH FLEXIBLE SPENDING ARRANGEMENTS AND HEALTH REIMBURSEMENT ARRANGEMENTS.—Section 106(f) of such Code is amended—

(1) by inserting "or dietary supplement products (as defined in section 223(d)(2)(E))" after "menstrual care products (as defined in section 223(d)(2)(D))"; and

(2) in the heading, by inserting "AND DIETARY SUPPLEMENT PRODUCTS" after "MENSTRUAL CARE PRODUCTS".

(d) EFFECTIVE DATES.—

(1) DISTRIBUTIONS FROM SAVINGS ACCOUNTS.—The amendment made by subsections (a) and (b) shall apply to amounts paid after December 31, 2020.

(2) REIMBURSEMENTS.—The amendment made by subsection (c) shall apply to expenses incurred after December 31, 2020.

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