

117TH CONGRESS
2D SESSION

S. 4267

To amend the Internal Revenue Code of 1986 to create a tax credit for qualified health insurance premiums of eligible retired public safety officers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 19 (legislative day, MAY 17), 2022

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

A BILL

To amend the Internal Revenue Code of 1986 to create a tax credit for qualified health insurance premiums of eligible retired public safety officers, and for other purposes.

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 “Public Safety Officer
5 Health Improvement Act of 2022”.

1 **SEC. 2. CREDIT FOR QUALIFIED HEALTH INSURANCE PRE-**
 2 **MIUMS OF ELIGIBLE RETIRED PUBLIC SAFE-**
 3 **TY OFFICERS.**

4 (a) IN GENERAL.—Subpart A of part IV of sub-
 5 chapter A of chapter 1 of the Internal Revenue Code of
 6 1986 is amended by inserting after section 25D the fol-
 7 lowing new section:

8 **“SEC. 25E. QUALIFIED HEALTH INSURANCE PREMIUMS OF**
 9 **ELIGIBLE RETIRED PUBLIC SAFETY OFFI-**
 10 **CERS.**

11 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
 12 dividual who is an eligible retired public safety officer,
 13 there shall be allowed as a credit against the tax imposed
 14 by this chapter for the taxable year in an amount equal
 15 to so much of the amount paid by such individual for
 16 qualified health insurance premiums for such taxable year
 17 as does not exceed \$4,800.

18 “(b) DEFINITIONS.—For purposes of this section—

19 “(1) ELIGIBLE RETIRED PUBLIC SAFETY OFFI-
 20 CER.—The term ‘eligible retired public safety officer’
 21 has the meaning given such term by section
 22 402(l)(4)(B), except that such term shall not include
 23 any individual who has attained age 65.

24 “(2) QUALIFIED HEALTH INSURANCE PRE-
 25 MIUMS.—The term ‘qualified health insurance pre-

1 miums’ has the meaning given such term by section
 2 402(l)(4)(D).

3 “(c) ADJUSTMENT FOR INFLATION.—In the case of
 4 a taxable year beginning after December 31, 2023, the
 5 \$4,800 amount in subsection (a) shall be increased by an
 6 amount equal to—

7 “(1) such amount, multiplied by

8 “(2) the cost-of-living adjustment determined
 9 under section 1(f)(3) for the calendar year in which
 10 the taxable year begins, determined by substituting
 11 ‘2022’ for ‘2016’ in subparagraph (A)(ii) thereof.

12 If any amount as adjusted under the preceding sentence
 13 is not a multiple of \$5, such amount shall be rounded to
 14 the next lowest multiple of \$5.

15 “(d) DENIAL OF DOUBLE BENEFIT.—No credit shall
 16 be allowed under this section for a taxable year if the indi-
 17 vidual (or the individual’s spouse) has made the election
 18 described in paragraph (6) of section 402(l) for such tax-
 19 able year.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
 21 for subpart A of part IV of subchapter A of chapter 1
 22 of the Internal Revenue Code of 1986 is amended by in-
 23 serting after the item relating to section 25D the following
 24 new item:

“Sec. 25E. Qualified health insurance premiums of eligible retired public safety
 officers.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to taxable years beginning after
 3 December 31, 2022.

4 **SEC. 3. ADJUSTMENT FOR INFLATION OF EXCLUSION OF**
 5 **DISTRIBUTIONS FOR QUALIFIED HEALTH IN-**
 6 **SURANCE PREMIUMS OF ELIGIBLE RETIRED**
 7 **PUBLIC SAFETY OFFICERS.**

8 (a) IN GENERAL.—Paragraph (5) of section 402(l)
 9 of the Internal Revenue Code of 1986 is amended by add-
 10 ing at the end the following new subparagraph:

11 “(C) ADJUSTMENT FOR INFLATION.—In
 12 the case of a taxable year beginning after De-
 13 cember 31, 2023, the \$3,000 amount in para-
 14 graph (2) shall be increased by an amount
 15 equal to—

16 “(i) such amount, multiplied by
 17 “(ii) the cost-of-living adjustment de-
 18 termined under section 1(f)(3) for the cal-
 19 endar year in which the taxable year be-
 20 gins, determined by substituting ‘2022’ for
 21 ‘2016’ in subparagraph (A)(ii) thereof.

22 If any amount as adjusted under the preceding
 23 sentence is not a multiple of \$5, such amount
 24 shall be rounded to the next lowest multiple of
 25 \$5.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2022.

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