

114TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to extend and modify the credit for health insurance costs of certain eligible individuals, and for other purposes.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the credit for health insurance costs of certain eligible individuals, 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 “Health Coverage Tax
5 Credit Extension Act of 2015”.

6 **SEC. 2. EXTENSION AND MODIFICATION OF HEALTH COV-**
7 **ERAGE TAX CREDIT.**

8 (a) EXTENSION.—Subparagraph (B) of section
9 35(b)(1) of the Internal Revenue Code of 1986 is amended

1 by striking “before January 1, 2014” and inserting “be-
2 fore January 1, 2020”.

3 (b) COORDINATION WITH CREDIT FOR COVERAGE
4 UNDER A QUALIFIED HEALTH PLAN.—Subsection (g) of
5 section 35 of the Internal Revenue Code of 1986 is amend-
6 ed—

7 (1) by redesignating paragraph (11) as para-
8 graph (13), and

9 (2) by inserting after paragraph (10) the fol-
10 lowing new paragraphs:

11 “(11) ELECTION.—

12 “(A) IN GENERAL.—A taxpayer may elect
13 to have this section apply for any eligible cov-
14 erage month.

15 “(B) TIMING AND APPLICABILITY OF
16 ELECTION.—Except as the Secretary may pro-
17 vide—

18 “(i) an election to have this section
19 apply for any eligible coverage month in a
20 taxable year shall be made not later than
21 the due date (including extensions) for the
22 return of tax for the taxable year, and

23 “(ii) any election for this section to
24 apply for an eligible coverage month shall
25 apply for all subsequent eligible coverage

1 months in the taxable year and, once
2 made, shall be irrevocable with respect to
3 such months.

4 “(12) COORDINATION WITH PREMIUM TAX
5 CREDIT.—

6 “(A) IN GENERAL.—An eligible coverage
7 month to which the election under paragraph
8 (11) applies shall not be treated as a coverage
9 month (as defined in section 36B(c)(2)) for
10 purposes of section 36B with respect to the tax-
11 payer.

12 “(B) COORDINATION WITH ADVANCE PAY-
13 MENTS OF PREMIUM TAX CREDIT.—In the case
14 of a taxpayer who makes the election under
15 paragraph (11) with respect to any eligible cov-
16 erage month in a taxable year or on behalf of
17 whom any advance payment is made under sec-
18 tion 7527 with respect to any month in such
19 taxable year—

20 “(i) the tax imposed by this chapter
21 for the taxable year shall be increased by
22 the excess, if any, of—

23 “(I) the sum of any advance pay-
24 ments made on behalf of the taxpayer
25 under section 1412 of the Patient

1 Protection and Affordable Care Act
2 and section 7527 for months during
3 such taxable year, over

4 “(II) the sum of the credits al-
5 lowed under this section (determined
6 without regard to paragraph (1)) and
7 section 36B (determined without re-
8 gard to subsection (f)(1) thereof) for
9 such taxable year, and

10 “(ii) section 36B(f)(2) shall not apply
11 with respect to such taxpayer for such tax-
12 able year, except that if such taxpayer re-
13 ceived any advance payments under section
14 7527 for any month in such taxable year
15 and is later allowed a credit under section
16 36B for such taxable year, then section
17 36B(f)(2) shall be applied by substituting
18 the amount determined under clause (i) for
19 the amount determined under section
20 36B(f)(2)(A).”.

21 (c) EXTENSION OF ADVANCE PAYMENT PROGRAM.—

22 (1) IN GENERAL.—Subsection (a) of section
23 7527 of the Internal Revenue Code of 1986 is
24 amended by striking “August 1, 2003” and insert-
25 ing “the date that is 1 year after the date of the en-

1 actment of the Health Coverage Tax Credit Exten-
2 sion Act of 2015”.

3 (2) CONFORMING AMENDMENT.—Paragraph (1)
4 of section 7527(e) of such Code is amended by strik-
5 ing “occurring” and all that follows and inserting
6 “occurring—

7 “(A) after the date that is 1 year after the
8 date of the enactment of the Health Coverage
9 Tax Credit Extension Act of 2015, and

10 “(B) prior to the first month for which an
11 advance payment is made on behalf of such in-
12 dividual under subsection (a).”.

13 (d) INDIVIDUAL INSURANCE TREATED AS QUALIFIED
14 HEALTH INSURANCE WITHOUT REGARD TO ENROLL-
15 MENT DATE.—

16 (1) IN GENERAL.—Subparagraph (J) of section
17 35(e)(1) of the Internal Revenue Code of 1986 is
18 amended by striking “insurance if the eligible indi-
19 vidual” and all that follows through “For purposes
20 of” and inserting “insurance. For purposes of”.

21 (2) SPECIAL RULE.—Subparagraph (J) of sec-
22 tion 35(e)(1) of such Code, as amended by para-
23 graph (1), is amended by striking “insurance.” and
24 inserting “insurance (other than coverage enrolled in

1 through an Exchange established under the Patient
2 Protection and Affordable Care Act).”.

3 (e) CONFORMING AMENDMENT.—Subsection (m) of
4 section 6501 of the Internal Revenue Code of 1986 is
5 amended by inserting “, 35(g)(11)” after “30D(e)(4)”.

6 (f) EFFECTIVE DATE.—

7 (1) IN GENERAL.—Except as provided in para-
8 graph (2), the amendments made by this section
9 shall apply to coverage months in taxable years be-
10 ginning after December 31, 2013.

11 (2) PLANS AVAILABLE ON INDIVIDUAL MARKET
12 FOR USE OF TAX CREDIT.—The amendment made
13 by subsection (d)(2) shall apply to coverage months
14 in taxable years beginning after December 31, 2015.

15 (3) TRANSITION RULE.—Notwithstanding sec-
16 tion 35(g)(11)(B)(i) of the Internal Revenue Code of
17 1986 (as added by this Act), an election to apply
18 section 35 of such Code to an eligible coverage
19 month (as defined in section 35(b) of such Code)
20 (and not to claim the credit under section 36B of
21 such Code with respect to such month) in a taxable
22 year beginning after December 31, 2013, and before
23 the date of the enactment of this Act—

24 (A) may be made at any time on or after
25 such date of enactment and before the expira-

1 tion of the 3-year period of limitation pre-
2 scribed in section 6511(a) with respect to such
3 taxable year; and

4 (B) may be made on an amended return.

5 **SEC. 3. AGENCY OUTREACH.**

6 As soon as possible after the date of the enactment
7 of this Act, the Secretaries of the Treasury, Health and
8 Human Services, and Labor (or such Secretaries' dele-
9 gates) and the Director of the Pension Benefit Guaranty
10 Corporation (or the Director's delegate) shall carry out
11 programs of public outreach, including on the Internet, to
12 inform potential eligible individuals (as defined in section
13 35(c)(1) of the Internal Revenue Code of 1986) of the ex-
14 tension of the credit under section 35 of the Internal Rev-
15 enue Code of 1986 and the availability of the election to
16 claim such credit retroactively for coverage months begin-
17 ning after December 31, 2013.