

113TH CONGRESS
2^D SESSION

H. R. 3871

To amend the Internal Revenue Code of 1986 to allow increased contributions to health savings accounts, to allow Medicare and VA healthcare participants to contribute to health savings accounts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 2014

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

A BILL

To amend the Internal Revenue Code of 1986 to allow increased contributions to health savings accounts, to allow Medicare and VA healthcare participants to contribute to health savings accounts, 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 “Promoting Health for
5 Future Generations Act of 2014”.

1 **SEC. 2. INCREASE IN HSA CONTRIBUTION LIMITATION.**

2 (a) IN GENERAL.—Subsection (b) of section 223 of
3 the Internal Revenue Code of 1986 (relating to monthly
4 limitation) is amended—

5 (1) by striking “\$2,250” in paragraph (2)(A)
6 and inserting “the amount in effect under subsection
7 (c)(2)(A)(ii)(I)”, and

8 (2) by striking “\$4,500” in paragraph (2)(B)
9 and inserting “the amount in effect under subsection
10 (c)(2)(A)(ii)(II)”.

11 (b) CONFORMING AMENDMENT.—Paragraph (1) of
12 section 223(g) of such Code is amended by striking “sub-
13 sections (b)(2) and” and inserting “subsection”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to contributions for taxable years
16 beginning after December 31, 2014.

17 **SEC. 3. MEDICARE AND VA HEALTHCARE ENROLLEES ELI-**
18 **GIBLE TO CONTRIBUTE TO HSA.**

19 (a) IN GENERAL.—

20 (1) Subsection (b) of section 223 of the Inter-
21 nal Revenue Code of 1986 is amended by striking
22 paragraph (7) and redesignating paragraph (8) as
23 paragraph (7).

24 (2) Subsection (c) of section 223 of such Code
25 (relating to definitions and special rules) is amended
26 by adding at the end the following new paragraph:

1 “(6) SPECIAL RULE FOR INDIVIDUALS ENTI-
2 TLED TO BENEFITS UNDER MEDICARE OR EN-
3 ROLLED FOR HEALTH BENEFITS FROM VA.—In the
4 case of an individual—

5 “(A)(i) who is entitled to benefits under
6 title XVIII of the Social Security Act, and

7 “(ii) with respect to whom a health savings
8 account is established in a month before the
9 first month such individual is entitled to such
10 benefits, or

11 “(B)(i) who is enrolled in the patient en-
12 rollment system established by the Secretary of
13 Veterans Affairs pursuant to section 1705 of
14 title 38, United States Code, and

15 “(ii) with respect to whom a health savings
16 account is established in a month before the
17 first month such individual is enrolled in such
18 system,

19 such individual shall be deemed to be an eligible in-
20 dividual.”.

21 (b) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2014.

1 **SEC. 4. ALLOWING MSA AND HSA ROLLOVER TO ADULT**
2 **CHILD OF ACCOUNT HOLDER.**

3 (a) MSAs.—

4 (1) Subparagraph (A) of section 220(f)(8) of
5 the Internal Revenue Code of 1986 (relating to
6 treatment after death of account holder) is amend-
7 ed—

8 (A) by inserting “or adult child” after
9 “surviving spouse”,

10 (B) by inserting “or adult child, as the
11 case may be,” after “the spouse”, and

12 (C) by inserting “OR ADULT CHILD” after
13 “SPOUSE” in the heading thereof.

14 (2) Paragraph (8) of section 220(f) of such
15 Code is amended by adding at the end the following
16 new subparagraph:

17 “(C) ADULT CHILD.—For purposes of this
18 paragraph, the term ‘adult child’ means an in-
19 dividual—

20 “(i) who is a child of the deceased in-
21 dividual, and

22 “(ii) with respect to whom a deduc-
23 tion under section 151 would not be allow-
24 able to another taxpayer for a taxable year
25 beginning in the calendar year in which
26 such individual’s taxable year begins.”.

1 (b) HSAs.—

2 (1) Subparagraph (A) of section 223(f)(8) of
3 such Code (relating to treatment after death of ac-
4 count beneficiary) is amended—

5 (A) by inserting “or adult child” after
6 “surviving spouse”,

7 (B) by inserting “or adult child, as the
8 case may be,” after “the spouse”, and

9 (C) by inserting “OR ADULT CHILD” after
10 “SPOUSE” in the heading thereof.

11 (2) Paragraph (8) of section 223(f) of such
12 Code is amended by adding at the end the following
13 new subparagraph:

14 “(C) ADULT CHILD.—For purposes of this
15 paragraph, the term ‘adult child’ has the mean-
16 ing given to such term by section
17 220(f)(8)(C).”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2014.

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