

PHOTOCOPY
PRESERVATION

HEALTH

HEALTH -- SELF-EMPLOYED TAX DEDUCTION

Question: When did the Administration propose the self-employed tax deduction for health care benefits?

Answer: The Administration first proposed to make health care benefits tax deductible for self-employed individuals in the Health Security Act. A self-employed tax deduction then passed as part of the Kennedy-Kassebaum legislation and was subsequently amended to phase in to 100% by 2003. The deduction is currently 60%.