

104TH CONGRESS
1ST SESSION

S. 539

To amend the Internal Revenue Code of 1986 to provide a tax exemption
for health risk pools.

IN THE SENATE OF THE UNITED STATES

MARCH 10 (legislative day, MARCH 6), 1995

Mr. COCHRAN 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 provide
a tax exemption for health risk pools.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That (a) subsection (c) of section 501 of the Internal Rev-*
4 *enue Code of 1986 (relating to list of exempt organiza-*
5 *tions) is amended by adding at the end thereof the follow-*
6 *ing new paragraph:*

7 “(26) Any corporation, association, or similar
8 legal entity which is created by any State or political
9 subdivision thereof to establish a risk pool to provide
10 health insurance coverage to any person unable to

1 obtain health insurance coverage in the private in-
2 surance market because of health conditions and no
3 part of the net earnings of which inures to the
4 benefit of any private shareholder, member, or indi-
5 vidual.”

6 (b) The amendment made by subsection (a) shall
7 apply to taxable years beginning after December 31, 1989.

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