

104TH CONGRESS  
1ST SESSION

# S. 539

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

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## 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

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## 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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