

109TH CONGRESS
2D SESSION

S. 3655

To amend the Internal Revenue Code of 1986 to allow individuals eligible for veterans health benefits to contribute to health savings accounts.

IN THE SENATE OF THE UNITED STATES

JULY 13, 2006

Mr. CRAIG (for himself and Mr. COBURN) 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 allow individuals eligible for veterans health benefits to contribute to health savings accounts.

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. ALLOWANCE OF INDIVIDUALS ELIGIBLE FOR**
4 **VETERANS HEALTH BENEFITS TO CON-**
5 **TRIBUTE TO HEALTH SAVINGS ACCOUNTS.**

6 (a) IN GENERAL.—Section 223(c)(1) of the Internal
7 Revenue Code of 1986 (defining eligible individual) is
8 amended by adding at the end the following new subpara-
9 graph:

1 “(C) SPECIAL RULE FOR INDIVIDUALS ELI-
2 GIBLE FOR VETERANS HEALTH BENEFITS.—

3 For purposes of subparagraph (A)(ii), an indi-
4 vidual shall not be treated as covered under a
5 health plan described in such subparagraph
6 merely because the individual receives periodic
7 hospital care or medical services under any law
8 administered by the Secretary of Veterans Af-
9 fairs.”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to taxable years beginning after
12 December 31, 2006.

