

TaxNewsFlash

United States

No. 2017-061
January 25, 2017

Legislative update: House passes bill denying tax benefits for abortion coverage

The U.S. House of Representatives late yesterday, approved by a 238-183 vote, H.R. 7—a bill introduced by Representative Christopher Smith (R-NJ) that would deny two types of tax benefits under the Affordable Care Act with respect to health plans that cover abortion services.

For tax years ending after December 31, 2017, the bill would:

- Disallow premium tax credits to individuals purchasing a health insurance policy on an ACA-established health insurance exchange that provides coverage for abortions
- Disallow the small employer health insurance expense credit for any health plan that includes coverage for abortions

Read [text](#) of the bill as approved.

The Senate has not scheduled action on similar legislation and the future prospects are not certain at this time.

The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to be applied to any specific reader's particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)