

113TH CONGRESS
2D SESSION

H. R. 5825

To amend the Internal Revenue Code of 1986 to prevent foreign diplomats from being eligible to receive health insurance premium tax credits and health insurance cost-sharing reductions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 10, 2014

Mr. ROYCE (for himself and Mr. CAMP) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to prevent foreign diplomats from being eligible to receive health insurance premium tax credits and health insurance cost-sharing reductions, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “No Healthcare Sub-
5 sidies for Foreign Diplomats Act of 2014”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) The Patient Protection and Affordable Care
4 Act (Public Law 111–148) (in this section referred
5 to as the “Affordable Care Act”) established certain
6 taxpayer-funded subsidies, such as premium tax
7 credits and cost-sharing reductions, that directly or
8 indirectly pay portions of the costs of health insur-
9 ance and services for eligible individuals and house-
10 holds.

11 (2) Diplomats of foreign governments and
12 United Nations staff members who are not citizens
13 or lawful permanent residents of the United States
14 do not pay Federal income taxes on their salaries
15 from those employers.

16 (3) The Department of State has notified for-
17 eign missions in the United States, permanent mis-
18 sions to the United Nations, and the United Nations
19 Secretariat that “the benefits of the United States
20 Affordable Care Act are available” to their per-
21 sonnel.

22 (4) According to the Department of Health and
23 Human Services and the Congressional Research
24 Service, foreign diplomats and United Nations em-
25 ployees in the United States are currently eligible to
26 obtain United States taxpayer-funded subsidies

1 under the Affordable Care Act, such as premium tax
2 credits and cost-sharing reductions, on the same
3 basis as American citizens and lawful permanent
4 residents.

5 (5) United States diplomats overseas do not de-
6 pend on foreign taxpayers for health care coverage,
7 but rely on United States-based health insurance
8 plans that provide overseas coverage.

9 (6) The Department of Health and Human
10 Services does not currently collect data that would
11 allow it to identify any foreign diplomats who are
12 enrolled in a qualified health plan and who may be
13 receiving premium tax credits or cost-sharing reduc-
14 tions pursuant to the Affordable Care Act.

15 (7) The Department of State also does not pos-
16 sess that data, and has asserted that it is not in-
17 volved in whatever processes foreign diplomats may
18 use to obtain benefits funded by the United States
19 Government.

20 (8) The Internal Revenue Service does not col-
21 lect visa information and is not currently able to dis-
22 cern whether any taxpayer is present in the United
23 States pursuant to an A (diplomatic) or a G (UN/
24 international organization) nonimmigrant visa.

1 (9) The Internal Revenue Service also does not
2 collect data identifying whether a foreign diplomat is
3 enrolled in a qualified health plan and is receiving
4 a premium tax credit or cost-sharing reduction pur-
5 suant to the Affordable Care Act.

6 **SEC. 3. SENSE OF CONGRESS.**

7 It is the sense of Congress that—

8 (1) foreign diplomats should be allowed to pur-
9 chase health insurance coverage in the United
10 States, but the cost of that coverage should be borne
11 by their sending States; and

12 (2) United States taxpayers should not sub-
13 sidize the health insurance expenses of foreign dip-
14 lomats.

15 **SEC. 4. FOREIGN DIPLOMATS INELIGIBLE TO RECEIVE**
16 **HEALTH INSURANCE PREMIUM TAX CREDITS**
17 **AND HEALTH INSURANCE COST-SHARING RE-**
18 **DUCTIONS.**

19 (a) DENIAL OF ELIGIBILITY.—

20 (1) FOR HEALTH INSURANCE PREMIUM TAX
21 CREDITS.—Section 36B of the Internal Revenue
22 Code of 1986 is amended—

23 (A) by redesignating subsection (g) as sub-
24 section (h); and

1 (B) by inserting after subsection (f) the
2 following new subsection:

3 “(g) DENIAL OF CREDIT TO FOREIGN DIPLOMATS.—

4 “(1) IN GENERAL.—No credit shall be allowed
5 under this section to any individual for any month
6 during any portion of which such individual is a for-
7 eign diplomat.

8 “(2) FOREIGN DIPLOMAT.—For purposes of
9 this subsection, the term ‘foreign diplomat’ means
10 an alien admitted to the United States as a non-
11 immigrant under section 101(a)(15)(A) or section
12 101(a)(15)(G) of the Immigration and Nationality
13 Act.”.

14 (2) FOR COST-SHARING REDUCTIONS.—For de-
15 nial of cost sharing reductions to individuals ineli-
16 gible for the premium tax credit under section 36B
17 of the Internal Revenue Code of 1986, see section
18 1402(f)(2) of the Patient Protection and Affordable
19 Care Act (42 U.S.C. 18071(f)(2)).

20 (3) EFFECTIVE DATE.—The amendment made
21 by paragraph (1) shall apply to foreign diplomats for
22 months beginning more than 30 days after the date
23 of the enactment of this Act, in taxable years ending
24 after such date, regardless of whether the diplomat
25 may have been determined eligible for a premium

1 tax credit or cost-sharing reduction (or advance pay-
2 ment with respect to such credit or reduction) before
3 such date of enactment.

4 (4) INFORMATION COORDINATION FOR TIMELY
5 IMPLEMENTATION.—The Secretary of State shall co-
6 ordinate with, and provide such information to, the
7 Secretaries of Homeland Security and of Health and
8 Human Services regarding individuals in the status
9 of a foreign diplomat (described in section 36B(g)(2)
10 of the Internal Revenue Code of 1986, as inserted
11 by paragraph (1)) as may be necessary—

12 (A) to apply the amendment made by
13 paragraph (1) and the provisions of paragraph
14 (2) on a timely process, including applying such
15 amendment in the case of an individual who has
16 been determined eligible for a premium tax
17 credit or cost-sharing reduction (or an advance
18 payment thereof) before the date of the enact-
19 ment of this Act; and

20 (B) to provide information to the Secretary
21 of Health and Human Services for the reports
22 to Congress under subsection (b)(1).

23 (b) REPORTS TO CONGRESS.—

24 (1) IN GENERAL.—Not later than 60 days after
25 the date of the enactment of this Act, and every 180

1 days thereafter, subject to paragraph (3), the Sec-
2 retary of Health and Human Services shall submit
3 to the appropriate committees of Congress (as de-
4 fined in paragraph (2)) a written report on the im-
5 plementation of this section. Each such report shall
6 include—

7 (A) the number of foreign diplomats listed
8 in the information received by such Secretary
9 under subsection (a)(4)(B) with respect to
10 whom an advance determination of eligibility
11 was still in effect under section 1412 of the Pa-
12 tient Protection and Affordable Care Act (42
13 U.S.C. 18082) as of the most recent date of the
14 receipt of such information by such Secretary;
15 and

16 (B) the number of such advance deter-
17 minations which were revoked at the time of the
18 submission of such written report to Congress.

19 (2) APPROPRIATE COMMITTEES OF CON-
20 GRESS.—For purposes of this subsection, the term
21 “appropriate committees of Congress” means the
22 Committees on Foreign Relations, Finance, and
23 Health, Education, Labor, and Pensions of the Sen-
24 ate and the Committees on Foreign Affairs, Ways

1 and Means, and Energy and Commerce of the House
2 of Representatives.

3 (3) TERMINATION.—No report shall be required
4 to be submitted under this subsection after the sec-
5 ond consecutive report in which the number required
6 to be included in such report under paragraph
7 (1)(A) is zero.

8 (c) NOTICE TO GOVERNMENTS AND INTERNATIONAL
9 ORGANIZATIONS.—Not later than 30 days after the date
10 of the enactment of this Act, the Secretary of State shall
11 notify all foreign missions in the United States, permanent
12 missions to the United Nations, and the United Nations
13 Secretariat, that premium tax credits under section 36B
14 of the Internal Revenue Code of 1986 and cost-sharing
15 reductions under section 1402 of the Patient Protection
16 and Affordable Care Act are not available to any of their
17 personnel who have the status in the United States as a
18 nonimmigrant under section 101(a)(15)(A) or
19 101(a)(15)(G) of the Immigration and Nationality Act (8
20 U.S.C. 1101(a)(15)(A), 1101(a)(15)(G)).

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