



Senate Finance Committee

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BILL SUMMARY

SENATE BILL 1189, PN 1602 (SENATOR FOLMER)

Summary:

Senate Bill 1189 amends the Tax Reform Code of 1971, providing for a credit against unreimbursed qualified health insurance premium payments:

- A resident taxpayer shall be allowed a credit against the tax otherwise due under this article for the dollar amount of any unreimbursed qualified health insurance premium payment or payments made by the taxpayer.
- The credit provided under this section shall not exceed the amount of the tax otherwise due under this article.

The legislation defines “qualified health insurance” as an individual or group health, sickness or accident policy or subscriber contract or certificate issued by an entity subject to any one of the following:

- The act of May 17, 1921 (P.L. 682, No. 284), known as “The Insurance Company Law of 1921.”
- The act of December 29, 1972 (P.L. 123, No. 54), known as the “Individual Accident and Sickness Insurance Minimum Standards Act.”
- 40 Pa.C.S. Ch. 61 (relating to hospital plan corporations) or 63 (relating to professional health services plan corporations).

The legislation also defines “unreimbursed qualified health insurance premium payment” as a payment made by a resident taxpayer against the premium due for the purchase of qualified health insurance, the cost of which is not reimbursed to the taxpayer by the taxpayer’s employer, the Commonwealth, a municipality or any other entity.

Effective Date:

This act shall take effect immediately.