

APR 25 2000  
Laid Over Under Rule 25

HOUSE RESOLUTION NO. 125

BY ALONS

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2  
3 A House Resolution requesting the United States  
4 Congress to enact legislation equalizing the federal  
5 tax treatment of medical savings accounts and  
6 third-party health insurance coverage provided  
7 by employers.

8 WHEREAS, many citizens of Iowa believe it is  
9 clearly unfair that a medical savings account paid for  
10 by an employer on behalf of an employee is taxable to  
11 the employee, while medical insurance paid for by an  
12 employer on behalf of an employee is not taxable to  
13 the employee; and

14 WHEREAS, this unfair federal tax treatment stifles  
15 the use of medical savings accounts by employees as an  
16 alternative to third-party health insurance coverage;  
17 and

18 WHEREAS, many citizens of Iowa oppose the use of  
19 the federal tax code to promote one form of payment  
20 for health care over another form of payment; NOW  
21 THEREFORE,

22 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,  
23 That the Iowa House of Representatives urges the  
24 Congress of the United States to enact legislation  
25 that will equalize the tax treatment of medical  
26 savings accounts and third-party health insurance  
27 coverage.

28 BE IT FURTHER RESOLVED, That copies of this  
29 resolution be sent to the President of the United  
30 States Senate, the Speaker of the United States House

1 of Representatives, and to members of Iowa's  
2 congressional delegation.

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HOUSE RESOLUTION 125

H-9109

1 Amend House Resolution 125 as follows:  
2 1. Page 1, by striking lines 3 through 27 and  
3 inserting the following:  
4 "A House Resolution requesting the United States  
5 Congress to enact legislation clarifying that  
6 conservation reserve payments are not subject to  
7 self-employment social security taxes.  
8 WHEREAS, many family farmers in Iowa participate in  
9 the federal conservation reserve program and rely on  
10 payments from this program to continue to operate  
11 their family farms; and  
12 WHEREAS, requiring family farmers in Iowa to remit  
13 self-employment social security taxes on conservation  
14 reserve payments would constitute an undue hardship on  
15 family farmers in Iowa and work to defeat one of the  
16 intended purposes of the conservation reserve program,  
17 which is to preserve the family farm; and  
18 WHEREAS, United States Representative Moran of  
19 Kansas and United States Representative Pomeroy of  
20 North Dakota have introduced legislation to clarify  
21 that farmers are not required to pay self-employment  
22 social security taxes on conservation reserve  
23 payments; NOW THEREFORE,  
24 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,  
25 That the Iowa House of Representatives urges the  
26 Congress of the United States to enact H.R. 4064,  
27 introduced by Representatives Moran of Kansas and  
28 Representative Pomeroy of North Dakota, that will  
29 clarify the tax treatment of conservation reserve  
30 payments, exempting such payments from self-employment  
31 social security taxes."

By WEIGEL of Chickasaw

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