

**§ 4374. Liability for tax**

The tax imposed by this chapter shall be paid, on the basis of a return, by any person who makes, signs, issues, or sells any of the documents and instruments subject to the tax, or for whose use or benefit the same are made, signed, issued, or sold. The United States or any agency or instrumentality thereof shall not be liable for the tax.

(Aug. 16, 1954, ch. 736, 68A Stat. 522; Pub. L. 85-859, title I, § 141(a), Sept. 2, 1958, 72 Stat. 1301; Pub. L. 89-44, title VIII, § 804(a)(1), (2), June 21, 1965, 79 Stat. 160; Pub. L. 94-455, title XIX, § 1904(a)(12), Oct. 4, 1976, 90 Stat. 1813.)

**PRIOR PROVISIONS**

For provisions of prior sections 4375, 4381 to 4384, see Prior Provisions note preceding section 4371 of this title.

**AMENDMENTS**

1976—Pub. L. 94-455 substituted in section catchline “Liability for tax” for “Payment of tax” and in text provisions relating to payment of tax on basis of a return and to tax-exempt status of United States and its agencies and instrumentalities for provisions relating to placing of stamps on any policy, indemnity bond, or annuity contract referred to in section 4371 and to regulation by Secretary that tax be paid on basis of a return.

1965—Pub. L. 89-44 substituted “Payment of tax” for “Affixing of stamps” in section catchline, and inserted sentence authorizing Secretary or his delegate to provide by regulation for payment on basis of a return of tax imposed by section 4371.

1958—Pub. L. 85-859 reenacted section without change.

**EFFECTIVE DATE OF 1976 AMENDMENT**

Amendment by Pub. L. 94-455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1904(d) of Pub. L. 94-455, set out as a note under section 4041 of this title.

**EFFECTIVE DATE OF 1965 AMENDMENT**

Pub. L. 89-44, title VIII, § 804(c), June 21, 1965, 79 Stat. 160, provided that: “The amendments made by subsection (a) [amending this section] shall take effect on July 1, 1965. The amendments made by subsection (b) [amending section 4371 of this title] shall apply with respect to policies, bonds, and contracts with respect to which the tax imposed by section 4371 of the Code is required to be paid on the basis of a return.”

**DETERMINATION OF PARTNERSHIP AS CONTINUING OR TERMINATED PARTNERSHIP**

Pub. L. 85-859, title I, § 141(b), Sept. 2, 1958, 72 Stat. 1304, mandated that only changes in the partnership occurring on or after the effective date specified in section 1(c) of Pub. L. 85-859 shall be taken into account in the determination of whether a partnership is a continuing or terminated one.

**Subchapter B—Insured and Self-Insured Health Plans**

Sec.	
4375.	Health insurance.
4376.	Self-insured health plans.
4377.	Definitions and special rules.

**§ 4375. Health insurance****(a) Imposition of fee**

There is hereby imposed on each specified health insurance policy for each policy year end-

ing after September 30, 2012, a fee equal to the product of \$2 (\$1 in the case of policy years ending during fiscal year 2013) multiplied by the average number of lives covered under the policy.

**(b) Liability for fee**

The fee imposed by subsection (a) shall be paid by the issuer of the policy.

**(c) Specified health insurance policy**

For purposes of this section:

**(1) In general**

Except as otherwise provided in this section, the term “specified health insurance policy” means any accident or health insurance policy (including a policy under a group health plan) issued with respect to individuals residing in the United States.

**(2) Exemption for certain policies**

The term “specified health insurance policy” does not include any insurance if substantially all of its coverage is of excepted benefits described in section 9832(c).

**(3) Treatment of prepaid health coverage arrangements****(A) In general**

In the case of any arrangement described in subparagraph (B), such arrangement shall be treated as a specified health insurance policy, and the person referred to in such subparagraph shall be treated as the issuer.

**(B) Description of arrangements**

An arrangement is described in this subparagraph if under such arrangement fixed payments or premiums are received as consideration for any person’s agreement to provide or arrange for the provision of accident or health coverage to residents of the United States, regardless of how such coverage is provided or arranged to be provided.

**(d) Adjustments for increases in health care spending**

In the case of any policy year ending in any fiscal year beginning after September 30, 2014, the dollar amount in effect under subsection (a) for such policy year shall be equal to the sum of such dollar amount for policy years ending in the previous fiscal year (determined after the application of this subsection), plus an amount equal to the product of—

(1) such dollar amount for policy years ending in the previous fiscal year, multiplied by

(2) the percentage increase in the projected per capita amount of National Health Expenditures, as most recently published by the Secretary before the beginning of the fiscal year.

**(e) Termination**

This section shall not apply to policy years ending after September 30, 2019.

(Added Pub. L. 111-148, title VI, § 6301(e)(2)(A), Mar. 23, 2010, 124 Stat. 743.)

**§ 4376. Self-insured health plans****(a) Imposition of fee**

In the case of any applicable self-insured health plan for each plan year ending after Sep-