

tember 30, 2012, there is hereby imposed a fee equal to \$2 (\$1 in the case of plan years ending during fiscal year 2013) multiplied by the average number of lives covered under the plan.

(b) Liability for fee

(1) In general

The fee imposed by subsection (a) shall be paid by the plan sponsor.

(2) Plan sponsor

For purposes of paragraph (1) the term “plan sponsor” means—

(A) the employer in the case of a plan established or maintained by a single employer,

(B) the employee organization in the case of a plan established or maintained by an employee organization,

(C) in the case of—

(i) a plan established or maintained by 2 or more employers or jointly by 1 or more employers and 1 or more employee organizations,

(ii) a multiple employer welfare arrangement, or

(iii) a voluntary employees’ beneficiary association described in section 501(c)(9), the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan, or

(D) the cooperative or association described in subsection (c)(2)(F) in the case of a plan established or maintained by such a cooperative or association.

(c) Applicable self-insured health plan

For purposes of this section, the term “applicable self-insured health plan” means any plan for providing accident or health coverage if—

(1) any portion of such coverage is provided other than through an insurance policy, and

(2) such plan is established or maintained—

(A) by 1 or more employers for the benefit of their employees or former employees,

(B) by 1 or more employee organizations for the benefit of their members or former members,

(C) jointly by 1 or more employers and 1 or more employee organizations for the benefit of employees or former employees,

(D) by a voluntary employees’ beneficiary association described in section 501(c)(9),

(E) by any organization described in section 501(c)(6), or

(F) in the case of a plan not described in the preceding subparagraphs, by a multiple employer welfare arrangement (as defined in section 3(40) of Employee Retirement Income Security Act of 1974), a rural electric cooperative (as defined in section 3(40)(B)(iv) of such Act), or a rural telephone cooperative association (as defined in section 3(40)(B)(v) of such Act).

(d) Adjustments for increases in health care spending

In the case of any plan year ending in any fiscal year beginning after September 30, 2014, the dollar amount in effect under subsection (a) for such plan year shall be equal to the sum of such

dollar amount for plan 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 plan 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 plan years ending after September 30, 2019.

(Added Pub. L. 111-148, title VI, § 6301(e)(2)(A), Mar. 23, 2010, 124 Stat. 744.)

REFERENCES IN TEXT

Section 3(40) of Employee Retirement Income Security Act of 1974, referred to in subsec. (c)(2)(F), is classified to section 1002(40) of Title 29, Labor.

§ 4377. Definitions and special rules

(a) Definitions

For purposes of this subchapter—

(1) Accident and health coverage

The term “accident and health coverage” means any coverage which, if provided by an insurance policy, would cause such policy to be a specified health insurance policy (as defined in section 4375(c)).

(2) Insurance policy

The term “insurance policy” means any policy or other instrument whereby a contract of insurance is issued, renewed, or extended.

(3) United States

The term “United States” includes any possession of the United States.

(b) Treatment of governmental entities

(1) In general

For purposes of this subchapter—

(A) the term “person” includes any governmental entity, and

(B) notwithstanding any other law or rule of law, governmental entities shall not be exempt from the fees imposed by this subchapter except as provided in paragraph (2).

(2) Treatment of exempt governmental programs

In the case of an exempt governmental program, no fee shall be imposed under section 4375 or section 4376 on any covered life under such program.

(3) Exempt governmental program defined

For purposes of this subchapter, the term “exempt governmental program” means—

(A) any insurance program established under title XVIII of the Social Security Act,

(B) the medical assistance program established by title XIX or XXI of the Social Security Act,

(C) any program established by Federal law for providing medical care (other than through insurance policies) to individuals (or the spouses and dependents thereof) by reason of such individuals being members of

the Armed Forces of the United States or veterans, and

(D) any program established by Federal law for providing medical care (other than through insurance policies) to members of Indian tribes (as defined in section 4(d) of the Indian Health Care Improvement Act).

(c) Treatment as tax

For purposes of subtitle F, the fees imposed by this subchapter shall be treated as if they were taxes.

(d) No cover over to possessions

Notwithstanding any other provision of law, no amount collected under this subchapter shall be covered over to any possession of the United States.

(Added Pub. L. 111-148, title VI, §6301(e)(2)(A), Mar. 23, 2010, 124 Stat. 746.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(3)(A), (B), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§1395 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

Section 4(d) of the Indian Health Care Improvement Act, referred to in subsec. (b)(3)(D), is classified to section 1603(d) of Title 25, Indians.

CHAPTER 35—TAXES ON WAGERING

Subchapter	Sec.1
A. Tax on wagers	4401
B. Occupational tax	4411
C. Miscellaneous provisions	4421

Subchapter A—Tax on Wagers

Sec.	
4401.	Imposition of tax.
4402.	Exemptions.
4403.	Record requirements.
4404.	Territorial extent.
4405.	Cross references.

§ 4401. Imposition of tax

(a) Wagers

(1) State authorized wagers

There shall be imposed on any wager authorized under the law of the State in which accepted an excise tax equal to 0.25 percent of the amount of such wager.

(2) Unauthorized wagers

There shall be imposed on any wager not described in paragraph (1) an excise tax equal to 2 percent of the amount of such wager.

(b) Amount of wager

In determining the amount of any wager for the purposes of this subchapter, all charges incident to the placing of such wager shall be included; except that if the taxpayer establishes, in accordance with regulations prescribed by the Secretary, that an amount equal to the tax imposed by this subchapter has been collected as a separate charge from the person placing such

wager, the amount so collected shall be excluded.

(c) Persons liable for tax

Each person who is engaged in the business of accepting wagers shall be liable for and shall pay the tax under this subchapter on all wagers placed with him. Each person who conducts any wagering pool or lottery shall be liable for and shall pay the tax under this subchapter on all wagers placed in such pool or lottery. Any person required to register under section 4412 who receives wagers for or on behalf of another person without having registered under section 4412 the name and place of residence of such other person shall be liable for and shall pay the tax under this subchapter on all such wagers received by him.

(Aug. 16, 1954, ch. 736, 68A Stat. 525; Pub. L. 85-859, title I, §151(a), Sept. 2, 1958, 72 Stat. 1304; Pub. L. 93-499, §3(a), Oct. 29, 1974, 88 Stat. 1550; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 97-362, title I, §109(a), Oct. 25, 1982, 96 Stat. 1731.)

AMENDMENTS

1982—Subsec. (a). Pub. L. 97-362 substituted provision that there shall be imposed on any wager authorized under the law of the State in which accepted an excise tax equal to 0.25 percent of the amount of such wager and that there shall be imposed on any other wager an excise tax equal to 2 percent of the amount of such wager for provision that there be imposed on wagers, as defined in section 4421, an excise tax equal to 2 percent of the amount thereof.

1976—Subsec. (b). Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

1974—Subsec. (a). Pub. L. 93-499 substituted “2 percent” for “10 percent”.

1958—Subsec. (c). Pub. L. 85-859 made all persons required to register under section 4412 of this title who receive wagers for or on behalf of another person without having registered under section 4412 of this title the name and place of residence of such other person liable for the tax on all such wagers received by them.

EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97-362, title I, §109(c)(1), Oct. 25, 1982, 96 Stat. 1731, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on January 1, 1983.”

EFFECTIVE DATE OF 1974 AMENDMENT

Pub. L. 93-499, §3(d)(1), Oct. 29, 1974, 88 Stat. 1551, provided that: “The amendments made by this section [enacting section 4424 and amending this section and section 4411 of this title] take effect on December 1, 1974, and shall apply only with respect to wagers placed on or after such date.”

EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-859, title I, §151(b), Sept. 2, 1958, 72 Stat. 1304, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to wagers received after the date of the enactment of this Act [Sept. 2, 1958].”

§ 4402. Exemptions

No tax shall be imposed by this subchapter—

(1) Parimutuels

On any wager placed with, or on any wager placed in a wagering pool conducted by, a parimutuel wagering enterprise licensed under State law,

¹ Section numbers editorially supplied.