



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

January 17, 2014

**H.R. 7  
No Taxpayer Funding for Abortion Act**

*As ordered reported by the House Committee on the Judiciary on January 15, 2014*

H.R. 7 would amend Title 1 of the United States Code to prohibit the use of federal funds provided under federal law to pay for abortion services or for any health plan that provides abortion services, except in cases of rape or incest, or when the life of the pregnant woman is in danger.

H.R. 7 also would amend the Internal Revenue Code to disallow the application of certain health coverage tax benefits to coverage of abortion services, other than under the excepted circumstances mentioned above. The bill would not allow the costs of abortion services to count as a deductible medical expense in determining income tax liability. It would change the definition of a “qualified health plan” to exclude plans that offer coverage of abortion services, other than under the excepted circumstances. In addition, health insurance tax credits for small employers would not be available for health insurance plans that include such coverage. The bill also would require any reimbursements from health flexible spending arrangements and distributions by Archer medical savings accounts and health savings accounts for abortion services to be included as gross income.

Enacting H.R. 7 could affect direct spending or revenues; therefore, pay-as-you-go procedures apply. According to the staff of the Joint Committee on Taxation (JCT), the bill would have negligible effects on tax revenues. Similarly, CBO estimates that any effects on direct spending would be negligible for each year and over the 2014-2024 period.

CBO and JCT have determined that H.R. 7 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.