

SB245 INTRODUCED



1 SB245

2 L5CMUWA-1

3 By Senators Roberts, Shelnutt, Orr, Allen

4 RFD: Healthcare

5 First Read: 03-Feb-26



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4 SYNOPSIS:

5 Under existing law, income tax deductions are
6 allowed for health insurance premiums and health
7 savings accounts.

8 This bill would allow Health Care Sharing
9 Ministries to take advantage of the same tax benefits
10 allowed for health insurance premiums and health
11 savings accounts.

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14 A BILL
15 TO BE ENTITLED
16 AN ACT

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18 Relating to income taxes; to establish the Health Care
19 Sharing Ministries Tax Parity Act; to allow qualified
20 individuals to claim an income tax deduction for certain
21 qualified health care sharing expenses.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. This act shall be known and may be cited as
24 the Health Care Sharing Ministries Tax Parity Act.

25 Section 2. For the purposes of this act, the following
26 terms have the following meanings:

27 (1) DEPARTMENT. The Alabama Department of Revenue.
28 (2) HEALTH CARE SHARING MINISTRY. As defined in Section

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29 22-6A-2, Code of Alabama 1975.

30 (3) QUALIFIED HEALTH CARE SHARING EXPENSES.

31 Contributions made by a qualified individual to a health care
32 sharing ministry.

33 (4) QUALIFIED INDIVIDUAL. A member of a health care
34 sharing ministry.

35 Section 3. (a) For tax years beginning on or after
36 January 1, 2027, a qualified individual is entitled to a
37 deduction from the qualified individual's adjusted gross
38 income for the taxable year. The amount of the deduction shall
39 be equal to the total amount of qualified health care sharing
40 expenses paid by the qualified individual during the taxable
41 year.

42 (b) To receive the deduction allowed by this section, a
43 qualified individual must claim the deduction on the qualified
44 individual's annual state tax return or returns in the manner
45 prescribed by the Alabama Department of Revenue. The qualified
46 individual shall submit to the department any information the
47 department determines is necessary to calculate the amount of
48 the deduction allowed by this section.

49 (c) Any qualified health care share contribution
50 received by a taxpayer for medical expenses for which no
51 deduction against taxable income has been taken shall not be
52 considered taxable income.

53 Section 4. The department shall adopt rules to
54 implement and administer this act.

55 Section 5. This act shall become effective on October
56 1, 2026.