

119TH CONGRESS
1ST SESSION

H. R. 2436

To amend the Internal Revenue Code of 1986 to treat distributions from health savings accounts for funeral expenses of the account beneficiary as qualified distributions.

IN THE HOUSE OF REPRESENTATIVES

MARCH 27, 2025

Mr. HERN of Oklahoma introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to treat distributions from health savings accounts for funeral expenses of the account beneficiary as qualified distributions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DISTRIBUTIONS FROM HEALTH SAVINGS AC-**
4 **COUNTS FOR FUNERAL EXPENSES OF THE**
5 **ACCOUNT BENEFICIARY TREATED AS QUALI-**
6 **FIED DISTRIBUTIONS.**

7 (a) IN GENERAL.—Section 223(d)(2)(A) of the Inter-
8 nal Revenue Code of 1986 is amended by striking “men-

1 strual care products” and inserting “menstrual care prod-
2 ucts, or funeral expenses of the account beneficiary,”.

3 (b) FUNERAL EXPENSES.—Section 223(d)(2) of such
4 Code is amended by adding at the end the following new
5 subparagraph:

6 “(E) FUNERAL EXPENSES.—

7 “(i) IN GENERAL.—For purposes of
8 this paragraph, the term ‘funeral expenses’
9 means the amounts paid incident to the
10 care and disposition of the remains of an
11 account beneficiary following the death of
12 such beneficiary, including the amounts
13 paid for burial, cremation, embalming, in-
14 terment, or inurnment of the remains,
15 preparation of the remains for such burial,
16 cremation, embalming, interment, or
17 inurnment, furnishing of clothing for the
18 remains, furnishing of a casket or urn, a
19 hearse service, a funeral director’s services,
20 a funeral venue fee, transportation of the
21 remains to the place designated for the dis-
22 position of the remains, grave digging, fur-
23 nishing of a grave liner, and furnishing of
24 a grave plot.

1 “(ii) LIMITATION.—The aggregate
2 amount treated as funeral expenses under
3 this section with respect to any account
4 beneficiary shall not exceed \$5,000.”.

5 (c) COORDINATION WITH RULES FOR TREATMENT
6 OF ACCOUNT INCIDENT TO DEATH OF BENEFICIARY.—
7 Section 223(f)(8)(B)(ii) of such Code is amended by add-
8 ing at the end the following new subclause:

9 “(III) PERIOD FOR TREATMENT
10 OF FUNERAL EXPENSES AS INCURRED
11 BEFORE DEATH.—For the 90-day pe-
12 riod beginning on the date of the
13 death of an account beneficiary, the
14 funeral expenses (as that term is de-
15 fined in subsection (d)(2)(E)) of such
16 beneficiary shall be treated as if in-
17 curred immediately before the death
18 of such beneficiary.”.

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to amounts paid after the date of
21 the enactment of this Act, in taxable years ending after
22 such date.

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