

Public Law 97-248
97th Congress

An Act

Sept. 3, 1982
 [H.R. 4961]

To provide for tax equity and fiscal responsibility, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

**Tax Equity and
 Fiscal
 Responsibility
 Act of 1982.**

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENT OF 1954 CODE.

26 USC 1 note.

(a) **SHORT TITLE.**—This Act may be cited as the “**Tax Equity and Fiscal Responsibility Act of 1982**”.

(b) **TABLE OF CONTENTS.**—

Sec. 1. Short title; table of contents; amendment of 1954 Code.

TITLE I—PROVISIONS RELATING TO SAVINGS IN HEALTH AND INCOME SECURITY PROGRAMS

Subtitle A—Medicare

PART I—CHANGES IN PAYMENTS FOR SERVICES

Subpart A—Amount of Payment for Institutional Services

- Sec. 101. Payment for inpatient hospital services.
- Sec. 102. Single reimbursement limit for skilled nursing facilities.
- Sec. 103. Elimination of inpatient routine nursing salary cost differential.
- Sec. 104. Elimination of duplicate overhead payments for outpatient services.
- Sec. 105. Single reimbursement limit for home health agencies.
- Sec. 106. Prohibiting payment for Hill-Burton free care.
- Sec. 107. Prohibiting payment for anti-unionization activities.
- Sec. 108. Reimbursement of provider-based physicians.
- Sec. 109. Prohibiting recognition of payments under certain percentage arrangements.
- Sec. 110. Elimination of lesser-of-cost-or-charge provision.
- Sec. 111. Elimination of private room subsidy.

Subpart B—Payments for Other Services

- Sec. 112. Reimbursement for inpatient radiology and pathology services.
- Sec. 113. Reimbursement for assistants at surgery.
- Sec. 114. Payments to health maintenance organizations and competitive medical plans.
- Sec. 115. Prohibition of payment for ineffective drugs.

Subpart C—Other Payment Provisions

- Sec. 116. Medicare payments secondary for older workers covered under group health plans.
- Sec. 117. Interest charges on overpayments and underpayments.
- Sec. 118. Audit and medical claims review.
- Sec. 119. Private sector review initiative.
- Sec. 120. Temporary delay in periodic interim payments.

PART II—CHANGES IN BENEFITS, PREMIUMS, AND ENROLLMENT

- Sec. 121. Medicare coverage of Federal employees.
- Sec. 122. Hospice care.
- Sec. 123. Coverage of extended care services without regard to three-day prior hospitalization requirement.
- Sec. 124. Provision temporarily holding part B premium at constant percentage of cost.
- Sec. 125. Special enrollment provisions for merchant seamen.

31 USC 752.

(2) **LONG-TERM U.S. OBLIGATIONS.**—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act under the first section of the Second Liberty Bond Act.

15 USC 77a.

(3) **EXCEPTION FOR CERTAIN WARRANTS, ETC.**—The amendments made by subsection (b) shall not apply to any obligations issued after December 31, 1982, on the exercise of a warrant or the conversion of a convertible obligation if such warrant or obligation was offered or sold outside the United States without registration under the Securities Act of 1933 and was issued before August 10, 1982. A rule similar to the rule of the preceding sentence shall also apply in the case of any regulations issued under section 163(f)(2)(C) of the Internal Revenue Code of 1954 (as added by this section) except that the date on which such regulations take effect shall be substituted for “August 10, 1982”.

SEC. 311. RETURNS OF BROKERS.

(a) **GENERAL RULE.**—

26 USC 6045.

(1) **RETURNS.**—Section 6045 (relating to returns of brokers) is amended to read as follows:

“SEC. 6045. RETURNS OF BROKERS.

“(a) **GENERAL RULE.**—Every person doing business as a broker shall, when required by the Secretary, make a return, in accordance with such regulations as the Secretary may prescribe, showing the name and address of each customer, with such details regarding gross proceeds and such other information as the Secretary may by forms or regulations require with respect to such business.

“(b) **STATEMENTS TO BE FURNISHED TO CUSTOMERS.**—Every person making a return under subsection (a) shall furnish to each customer whose name is set forth in such return a written statement showing—

“(1) the name and address of the person making such return,

and

“(2) the information shown on such return with respect to such customer.

The written statement required under the preceding sentence shall be furnished to the customer on or before January 31 of the year following the calendar year for which the return under subsection (a) was made.

“(c) **DEFINITIONS.**—For purposes of this section—

“(1) **BROKER.**—The term ‘broker’ includes—

“(A) a dealer,

“(B) a barter exchange, and

“(C) any other person who (for a consideration) regularly acts as a middleman with respect to property or services.

“(2) **CUSTOMER.**—The term ‘customer’ means any person for whom the broker has transacted any business.

“(3) **BARTER EXCHANGE.**—The term ‘barter exchange’ means any organization of members providing property or services who jointly contract to trade or barter such property or services.”

26 USC 6678.

(2) **PENALTY.**—Paragraph (1) of section 6678 (relating to penalty for failure to furnish certain statements) is amended—

(A) by inserting “6045(b),” after “6044(e),” and

(B) by inserting “6045(a),” after “6044(a)(1).”

(b) BARTER EXCHANGE TREATED AS THIRD-PARTY RECORDKEEPER.— Paragraph (3) of section 7609(a) (defining third-party recordkeeper) is amended by striking out “and” at the end of subparagraph (E), by striking out the period at the end of subparagraph (F) and inserting in lieu thereof “; and”, and by adding at the end thereof the following new subparagraph:

26 USC 7609.

“(G) any barter exchange (as defined in section 6045(c)(3)).”

(c) EFFECTIVE DATES.—

26 USC 6045 note.

(1) **SUBSECTION (a).—**The amendments made by subsection (a) shall take effect on the date of the enactment of this Act, except that—

(A) regulations relating to reporting by commodities and securities brokers shall be issued under section 6045 of the Internal Revenue Code of 1954 (as amended by this Act) within 6 months after the date of the enactment of this Act, and

(B) such regulations shall not apply to transactions occurring before January 1, 1983.

(2) **SUBSECTION (b).—**The amendments made by subsection (b) shall apply to summonses served after December 31, 1982.

26 USC 7609 note.

SEC. 312. INFORMATION REPORTING REQUIREMENTS FOR PAYMENTS OF REMUNERATION FOR SERVICES AND DIRECT SALES.

(a) GENERAL RULE.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by inserting after section 6041 the following new section:

SEC. 6041A. RETURNS REGARDING PAYMENTS OF REMUNERATION FOR SERVICES AND DIRECT SALES.

26 USC 6041A.

“(a) **RETURNS REGARDING REMUNERATION FOR SERVICES.—If—**

“(1) any service-recipient engaged in a trade or business pays in the course of such trade or business during any calendar year remuneration to any person for services performed by such person, and

“(2) the aggregate of such remuneration paid to such person during such calendar year is \$600 or more,

then the service-recipient shall make a return, according to the forms or regulations prescribed by the Secretary, setting forth the aggregate amount of such payments and the name and address of the recipient of such payments. For purposes of the preceding sentence, the term ‘service-recipient’ means the person for whom the service is performed.

“Service-recipient.”

“(b) **DIRECT SALES OF \$5,000 OR MORE.—**

“(1) **IN GENERAL.—If—**

“(A) any person engaged in a trade or business in the course of such trade or business during any calendar year sells consumer products to any buyer on a buy-sell basis, a deposit-commission basis, or any similar basis which the Secretary prescribes by regulations, for resale (by the buyer or any other person) in the home or otherwise than in a permanent retail establishment, and

“(B) the aggregate amount of the sales to such buyer during such calendar year is \$5,000 or more,