



PHIT ACT– S. 2218 & H.R. 1218

Legislative Affairs

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What is the PHIT Act

The Personal Health Investment Today (PHIT) Act is pending legislation that expands the IRS definition of a medical expense to include physical activity as a form of prevention. The practical impact of this definitional change would allow taxpayers/consumers to use their pre-tax medical accounts (HSAs & FSAs) on physical activity expenses to promote healthy lifestyles. The PHIT Act is an innovative concept that fits with two major Congressional concerns: rising health care costs and the budget deficit. The rise in sedentary lifestyles is a major contributor to higher obesity rates and an increased incidence of expensive, preventable chronic illnesses. The PHIT Act will help reverse the sedentary/obesity trend by providing an economic incentive to invest in physical activity. If enacted physical activity expenses could be reimbursed using money in pre-tax medical accounts

“The best way to address our healthcare crisis is to improve health. Volleyball is a sport that will make a difference in the health of Americans and the PHIT Act will encourage increased participation in the activity”

- Tom Cove

President & CEO , SFIA

How would the PHIT Act Work?

Currently, Pre-Tax medical accounts are primarily used for reimbursement of medical expenses once you become sick. PHIT Act would allow taxpayers to place up to \$2,000 a year in existing Pre-Tax medical accounts for reimbursement of physical activity expenses. Lower costs will promote active lifestyles and improve the health of Americans. The PHIT Act will put prevention in our healthcare system and increase spending in our industry. The PHIT Act would allow funds to be applied to most physical activity expenses from court fees and equipment to lessons.

Volleyball Expenses Covered by the PHIT Act:

- Youth & Adult League Registrations
- Tournament Fees
- Camps & Clinics
- Required Uniforms
- Pay-to-Play Charges
- Volleyballs, Knee & Elbow Pads & Volleyball Sets
- Training Aids
- Volleyball Fitness



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PHIT Act: Right Solution, Right Time

The PHIT Act was re-introduced in the House by Ways & Means Members, Congressmen (Dr.) Charles Boustany (R-LA) and Ron Kind (D-WI) and in the Senate by Senators John Thune (R-ID) and Chris Murphy (D-CT). As always the PHIT Act enjoys bi-partisan support and currently has 75 House co-sponsors split 43D-32R and 11 in the Senate (6R-5D) and support continues to grow.

House Ways & Means Chairman Kevin Brady (R-TX) is a former lead sponsor of the PHIT Act and has stated he wants to expand pre-tax accounts to cover physical activity. The PHIT Act lead sponsor Dr. Boustany chairs the Tax Policy Subcommittee and Congressman Kind serves on the Ways & Means Health Subcommittee. In all 11 members of the Ways & Means committee are on board with the PHIT Act. House Speaker Ryan is a fitness fanatic and Majority Whip, Steve Scalise has publicly endorsed the PHIT Act.

Senate Finance Chairman Orrin Hatch (R-UT) adopted PHIT Act language in his HSA Reform bill and lead Senate sponsor John Thune, is a senior member of the Finance Committee and Chair of the Senate Republican Conference, the 4th highest position in GOP leadership.

Financial incentives have been used effectively to encourage home ownership, retirement savings and higher education; the PHIT Act would do the same for investments to improved health via physical activity.

The time to act is now:

"The stars are aligned for the PHIT Act in 2016. The Repeal & Replace battle has subsided but Republicans still control Congress and want to improve the health care system. They need to move bi-partisan bills through Congress to avoid a Presidential veto. The PHIT Act with 75 House co-sponsors and 11 Senators split almost evenly between Republicans and Democrats, is the perfect solution to our nation's inactivity crisis."

Bill Sells, Vice President, Government Relations & Public Affairs, SFIA

The PHIT Act Covers

- Youth & Adult Sports League Fees
- Gym & Health Club Membership Dues
- Exercise Classes
- Personal Trainers
- Sports & Fitness Equipment
- Youth Camps
- Pay to Play School Sports Fees
- Tournament & Race Entry Registration Fees
- Required Uniforms
- Fitness Tracking Devices
- And much more...

