

116TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to deny the deduction for advertising and promotional expenses for prescription drugs.

IN THE SENATE OF THE UNITED STATES

Mrs. SHAHEEN (for herself, Mr. BROWN, Mr. KING, Ms. HASSAN, Mr. WHITEHOUSE, Ms. BALDWIN, Mrs. GILLIBRAND, Mr. VAN HOLLEN, Mr. SANDERS, Mr. REED, Ms. KLOBUCHAR, Mr. BLUMENTHAL, Ms. WARREN, Ms. HIRONO, Ms. SMITH, Mr. SCHATZ, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to deny the deduction for advertising and promotional expenses for prescription drugs.

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. SHORT TITLE.**

4 This Act may be cited as the “End Taxpayer Sub-
5 sidies for Drug Ads Act”.

1 **SEC. 2. DISALLOWANCE OF DEDUCTION FOR ADVERTISING**
2 **AND PROMOTIONAL EXPENSES FOR PRE-**
3 **SCRIPTION DRUGS.**

4 (a) IN GENERAL.—Part IX of subchapter B of chap-
5 ter 1 of subtitle A of the Internal Revenue Code of 1986
6 (relating to items not deductible) is amended by adding
7 at the end the following new section:

8 **“SEC. 280I. DISALLOWANCE OF DEDUCTION FOR DIRECT-**
9 **TO-CONSUMER ADVERTISING OF PRESCRIP-**
10 **TION DRUGS.**

11 “(a) IN GENERAL.—No deduction shall be allowed
12 under this chapter for expenses relating to direct-to-con-
13 sumer advertising of prescription drugs for any taxable
14 year.

15 “(b) DIRECT-TO-CONSUMER ADVERTISING.—For
16 purposes of this section, the term ‘direct-to-consumer ad-
17 vertising’ means any dissemination, by or on behalf of a
18 sponsor of a prescription drug product (as such term is
19 defined in section 735(3) of the Federal Food, Drug, and
20 Cosmetic Act), of an advertisement which—

21 “(1) is in regard to such prescription drug
22 product, and

23 “(2) primarily targeted to the general public,
24 including through—

25 “(A) publication in journals, magazines,
26 other periodicals, and newspapers,

