(4) by adding at the end of paragraph (1) the following new subparagraph:

"(C) an amount (not in excess of $150) equal to one-half of the expenses paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and dependents (other than any dependent described in subparagraph (A)).";

(5) by striking out "and" at the end of paragraph (2)(B);

(6) by inserting after "such expenses" in paragraph (2)(C) "(reduced by any amount deductible under subparagraph (D))";

(7) by striking out the period at the end of paragraph (2)(C) and inserting in lieu thereof ", and"; and

(8) by adding at the end of paragraph (2) the following new subparagraph:

"(D) an amount (not in excess of $150) equal to one-half of the expenses paid during the taxable year for insurance which constitutes medical care for such dependents (other than any dependent described in paragraph (1)(A))."

(c) Effective Date.—The repeal and amendments