

THE “CADILLAC TAX” TAKES AWAY FROM WORKING FAMILIES’ BUDGETS

ALLIANCE TO FIGHT THE 40
Stop the 40% tax on health benefits

The “Cadillac Tax” is a 40 percent excise tax on the value of employer sponsored health coverage that exceeds certain benefit thresholds, estimated to be approximately \$10,800 for employee-only plans and \$29,100 for family plans when the tax takes effect in 2020.

THE “CADILLAC TAX” HARMS WORKING FAMILIES

Implementation of the “Cadillac Tax,” will **disproportionately harm lower-income working families** who already face constrained budgets. Noted below are costs caused by the tax that families could face once the “Cadillac Tax” is implemented, with a comparison to how those funds could be better allocated in a working family’s budget.



The “Cadillac Tax” is scheduled to take effect in 2020; over time, a greater number of health plans will be subject to the tax. This infographic looks at what families might see five years after the tax is implemented:



The average costs of the “Cadillac Tax” for a family of 4 making less than

\$42,000 in 2025

will be **\$1,261**

A family could buy these necessities if Congress repeals the “Cadillac Tax:” **

**In 2016 Dollars



▶ 586 gallons of gas



▶ Nearly 8 months of cell phone coverage for a family of four



▶ Six weeks of full-time day care for a child (infant to four years old)



▶ 401 gallons of milk



If this amount were put into savings with a 4 percent annual return, the family would have **\$18,505** after a ten year period

Fully repealing the “Cadillac Tax” will help families afford other necessities in their budgets.