

ALLIANCE TO FIGHT THE 40

Stop the 40% tax on health benefits

FOR IMMEDIATE RELEASE

July 22, 2016

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ALLIANCE TO FIGHT THE 40 COMMENDS DEMOCRATIC PLATFORM CALLING FOR REPEAL OF THE “CADILLAC TAX”

Washington, D.C. – The Alliance to Fight the 40, a broad-based coalition seeking to repeal the 40% tax on employee health benefits, commends inclusion of a plank in the 2016 Democratic platform calling for repeal of the “Cadillac Tax.”

“It is significant that the Democratic platform – which supports the Affordable Care Act overall – acknowledges the need to repeal the ‘Cadillac Tax’ to protect the employer-sponsored health coverage of 175 million workers,” said James A. Klein, President of the American Benefits Council. “The tax does not just hit luxury plans. It also taxes plans that are expensive simply because they cover workers and families with high health costs. Already the tax is forcing employers to ask their workers to bear a greater share of the cost burden of health plans. We urge Congress to take action now, to protect Americans from the devastating financial burden of this onerous tax,” Klein said.

The “Cadillac Tax,” enacted as part of the Affordable Care Act, is a 40% tax on the cost of employer-sponsored health coverage that exceeds certain benefit thresholds – initially, \$10,800 for self-only coverage and \$29,100 for family coverage in 2020. More than just premiums are counted when determining the “cost” of the plan. The cost of wellness programs, on-site clinics and other plan features designed to reduce plan expenses are also included, so that ultimately virtually everyone in an employer-sponsored plan will be affected.

In addition to a growing coalition of supporters that are part of the Alliance to Fight the 40, there is increased bipartisan momentum in Congress to repeal the tax. Legislation to repeal the 40% tax has garnered 309 cosponsors in the House of Representatives and last year 90 members of the Senate voted for permanent repeal.

[The Alliance to Fight the 40](http://www.fightthe40.com) is a broad-based coalition comprised of public and private sector employer organizations, patient advocates, businesses, unions, and other stakeholders that support employer-sponsored health coverage. This coverage is the backbone of our health care system and protects over 175 million Americans across the United States. The Alliance seeks to repeal the 40% tax on employee health benefits to ensure that employer-sponsored coverage remains an effective and affordable option for working Americans and their families.

Website: www.fightthe40.com & Twitter: [@Fightthe40](https://twitter.com/Fightthe40)

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