

ALLIANCE TO FIGHT THE 40

Stop the 40% tax on health benefits



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For Immediate Release

THE ALLIANCE TO FIGHT THE 40 | DON'T TAX MY HEALTH CARE STATEMENT ON TAX REFORM

Washington, DC— Today the **Alliance to Fight the 40 | Don't Tax My Health Care**, a broad-based coalition committed to repealing the 40 percent "Cadillac Tax" on employer-sponsored health benefits issued the following statement on Congressional efforts to reform the tax code:

The Alliance to Fight the 40 remains committed to repealing the Affordable Care Act's 40% tax on health benefits—the misnamed "Cadillac Tax."

As Congress shifts its focus from health care reform to tax reform, the Alliance will continue advocating to repeal the "Cadillac Tax." If Congress is committed to tax reforms that reduce the tax burden on middle class Americans, Congress should prioritize repealing the 40% "Cadillac Tax" on the health benefits of working Americans.

More than 178 million Americans depend on health insurance coverage from their employers and the looming "Cadillac Tax" is already driving up their health care costs. Working families can't afford higher out-of-pocket costs and skimpier health coverage.

We applaud Congress and the Administration for not including a cap on the employee exclusion for employer-sponsored coverage. Americans will reject any new efforts to tax their health care benefits received through an employer.

Repealing the "Cadillac Tax" has bicameral, bipartisan support. If Congress wants to help middle-class Americans, Congress should immediately and permanently repeal the "Cadillac Tax" in tax reform and prevent any new taxes on employer-sponsored health insurance.

The "Cadillac Tax" 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.

The Alliance to Fight the 40 | Don't Tax My Health Care is a broad-based coalition comprised of businesses, patient advocates, employer organizations, unions, local governments, health care companies, consumer groups and other stakeholders that support employer-sponsored health coverage. This coverage is the backbone of our health care system and protects over 178 million Americans. The Alliance seeks to repeal the 40% "Cadillac Tax" on health benefits and work with Congress and the Administration to prevent increased income taxes on workers, families and retirees who rely on employer-sponsored health coverage. The Alliance is committed to ensuring that employer-sponsored coverage remains an effective and affordable option for working Americans and their families.

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