



Small Business Tax Credit Accessibility Act

Many of the reforms made by the *Affordable Care Act* are already helping to improve the quality of health coverage and expand access to care for millions of Americans. However, we can and must do more to ensure the law works for everyone, including small businesses that want to offer health insurance to their employees but are struggling to afford it.

The *Affordable Care Act* created a tax credit to help small businesses afford the cost of health coverage for their workers. Unfortunately, too many businesses are either ineligible for the credit or discouraged by the complexity of its requirements to take advantage of this benefit. To help small businesses compete and grow, Representative DelBene believes the tax credit should be available for a longer period of time and accessible to more employers. That's why she is introducing the *Small Business Tax Credit Accessibility Act*, which would expand and simplify this portion of the law so more small businesses can qualify for the credit and provide health insurance to their workers.

Specifically, the *Small Business Tax Credit Accessibility Act* would:

- Raise the maximum size of businesses that are eligible to receive the credit from 25 employees to 50 employees;
- Extend the credit to businesses with higher average wages and tie the calculation to the federal poverty level (FPL). Instead of phasing out between \$25,000 and \$50,000, it would instead phase out between 110 percent and 330 percent of the FPL for a family of four (between \$26,675 and \$80,025 in 2015);
- Increase the threshold for a firm to receive the maximum credit from 10 to 20 full-time employees;
- Eliminate the requirement that employers claiming the credit contribute the same percentage of the cost for each employee's health insurance;
- Simplify calculations by eliminating the cap that limits eligible employer contributions to average premiums in the state; and
- Increase the number of years for which a small business may receive the credit to any three consecutive years.