

Small Business Health Care Tax Credit

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Eligibility Rules

- Providing health care coverage
- Firm size
- Average annual wage
- Both taxable (for profit) and tax-exempt firms qualify

Amount of Credit

- Maximum Amount
- Phase-out

4 Million Postcards

- May be able to claim the Small Business Health Care Tax Credit
- Find out if you are eligible

3 SIMPLE STEPS

If you are a small employer (business or tax-exempt) that provides health insurance coverage to your employees, determine if you may qualify for the **Small Business Health Care Tax Credit** by following these three simple steps:

1 Determine the total number of your employees (not counting owners or family members): Full-time employees: _____ (enter the number of employees who work at least 40 hours per week) + Full-time equivalent of part-time employees: _____ (Calculate the number of full-time equivalents by dividing the total annual hours of part-time employees by 2080.) = <input type="text"/> total employees If the total number of employees is fewer than 25 GO TO STEP 2	2 Calculate the average annual wages of employees (not counting owners or family members): Take the total annual wages paid to employees: _____ ÷ Divide it by the number of employees from STEP 1: _____ (total wages ÷ number of employees) = <input type="text"/> average wages If the result is less than \$50,000, AND
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3 You pay at least half of the insurance premiums for your employees at the single (employee-only) coverage rate, then

» you may be able to claim the **Small Business Health Care Tax Credit**.
Find out more information at **IRS.gov**

