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**COMPREHENSIVE LIST OF ALL TAX HIKES**  
**IN SENATE GOVERNMENT HEALTH BILL: H.R. 3590**

**Individual Mandate Tax** (*Page 324/Sec. 1501/\$8 bil*): Starting in 2014, anyone not buying “qualifying” health insurance must pay an income surtax according to the following schedule (capped at 8 percent of income):

	Single	Single +1	Single +2<
2014	\$95	\$190	\$285
2015	\$350	\$700	\$1050
2016 etc.	\$750	\$1500	\$2250

Exemptions for religious objectors, undocumented immigrants, prisoners, those earning less than the poverty line, members of Indian tribes, and hardship cases (determined by HHS).

**Employer Mandate Tax** (*Page 348/Sec. 1513/\$28 bil*): If an employer does not offer health coverage, and at least one employee qualifies for a health tax credit, the employer must pay an additional non-deductible tax of \$750 for all full-time employees. Applies to all employers with 50 or more employees.

If the employer requires a waiting period to enroll in coverage of 30-60 days, there is a \$400 tax per employee (\$600 if the period is 60 days or longer).

**Excise Tax on Comprehensive Health Insurance Plans** (*Page 1979/Sec. 9001/\$149.1 bil*): Starting in 2013, new 40 percent excise tax on “Cadillac” health insurance plans (\$8500 single/\$23,000 family). Higher threshold (\$9850 single/\$26,000 family) for early retirees and high-risk professions. CPI +1 percentage point indexed.

From 2013-2015, the 17 highest-cost states are 120% of this level.

**Employer Reporting of Insurance on W-2** (*Page 1996/Sec. 9002/Min\$*): Preamble to taxing health benefits on individual tax returns.

**Medicine Cabinet Tax** (*Page 1997/Sec. 9003/\$5 bil*): No longer allowable to use health savings account (HSA), flexible spending account (FSA), or health reimbursement (HRA) pre-tax dollars to purchase non-prescription, over-the-counter medicines (except insulin)

**HSA Withdrawal Tax Hike** (*Page 1998/Sec. 9004/\$1.3 bil*): Increases additional tax on non-medical early withdrawals from an HSA from 10 to 20 percent, disadvantaging them relative to IRAs and other tax-advantaged accounts, which remain at 10 percent.

**FSA Cap** (*Page 1999/Sec. 9005/\$14.6 bil*): Imposes cap on FSAs of \$2500 (now unlimited).

**Corporate 1099-MISC Information Reporting** (*Page 1999/Sec. 9006/\$17.1 bil*): Requires businesses to send 1099-MISC information tax forms to corporations (currently limited to individuals), a huge compliance burden for small employers

**Excise Tax on Charitable Hospitals** (Page 2001/Sec. 9007/Min\$): \$50,000 per hospital if they fail to meet new “community health assessment needs,” “financial assistance,” and “billing and collection” rules set by HHS.

**Tax on Innovator Drug Companies** (Page 2010/Sec. 9008/\$22.2 bil): \$2.3 billion annual tax on the industry imposed relative to share of sales made that year.

**Tax on Medical Device Manufacturers** (Page 2020/Sec. 9009/\$19.3 bil): \$2 billion annual tax on the industry imposed relative to shares of sales made that year. Exempts items retailing for <\$100.

**Tax on Health Insurers** (Page 2026/Sec. 9010/\$60.4 bil): \$6.7 billion annual tax on the industry imposed relative to health insurance premiums collected that year.

**Eliminate tax deduction for employer-provided retirement Rx drug coverage in coordination with Medicare Part D** (Page 2034/Sec. 9012/\$5.4 bil)

**Raise “Haircut” for Medical Itemized Deduction from 7.5% to 10% of AGI** (Page 2034/Sec. 9013/\$15.2 bil): Waived for 65+ taxpayers in 2013-2016 only

**\$500,000 Annual Executive Compensation Limit for Health Insurance Executives** (Page 2035/Sec. 9014/\$0.6 bil)

**Hike in Medicare Payroll Tax** (Page 2040/Sec. 9015/\$53.8 bil): Current law and changes:

	<b>Wages (Employer/Employee)</b>	<b>Self-Employment Net Income</b>
Current Law and New Rate on First \$200,000 (\$250,000 MFJ)	1.45%/1.45%	2.9%
New Rate on Amount Which Exceeds \$200,000 (\$250,000 MFJ)	1.45%/1.95%	3.4%

The 0.5% new rate addition is not deductible for the self-employment tax adjustment.

**Blue Cross/Blue Shield Tax Hike** (Page 2044/Sec. 9016/\$0.4 bil): The special tax deduction in current law for Blue Cross/Blue Shield companies would only be allowed if 85 percent or more of premium revenues are spent on clinical services

**Tax on Cosmetic Medical Procedures** (Page 2045/Sec. 9017/\$5.8 bil): New 5% excise tax on elective cosmetic surgery to be paid by the surgery patient