



Tax Day = ObamaCare Day

As Tax Day Hits, Americans Will Start Feeling The Pinch From ObamaCare

“Tax Day And The Last Day To Sign Up For Health Exchange Coverage Under An Extension Now Both Fall On April 15.” (Paige Winfield Cunningham, [Politico's Pulse](#), 4/7/14)

AS TAX DAY ARRIVES, MILLIONS OF AMERICANS WILL BEGIN TO BE TAXED BY OBAMACARE'S INDIVIDUAL MANDATE

Known As The “Centerpiece” Of ObamaCare – The Unpopular Individual Mandate Will Be Borne By The Middle-Class

ObamaCare's Individual Mandate Will Fine Americans “\$95 Or 1 Percent Of The Person's Income” While Growing “Significantly Larger” In The Following Years. “The fines for individuals are relatively small this year — \$95 or 1 percent of the person's income, whichever is greater — but they'll still have strong symbolic importance. They'll grow significantly larger in 2016.” (Brett Norman and David Nather, “Obama Administration Delays Part Of Employer Mandate Again,” [Politico](#), 2/10/14)

ObamaCare's Individual Mandate Is Projected To Collect \$46 Billion From 2015 To 2024. (“Updated Estimates Of The Effects Of The Insurance Coverage Provisions Of The Affordable Care Act,” [Congressional Budget Office](#), 4/14/14)

- **Non-Partisan Congressional Budget Office (CBO): “6 Million People Will Pay A Penalty Because They Are Uninsured In 2016.”** “After accounting for those who will not be subject to the penalty tax, CBO and JCT now estimate that about 6 million people will pay a penalty because they are uninsured in 2016 (a figure that includes uninsured dependents who have the penalty paid on their behalf) and that total collections will be about \$7 billion in 2016 and average about \$8 billion per year over the 2017–2022 period.” (“Payments Of Penalties For Being Uninsured Under The Affordable Care Act,” [Congressional Budget Office](#), 9/19/12)

The Nonpartisan Joint Committee On Taxation Report Found That ObamaCare Raises Taxes On Middle-Class Americans. “There are a number of tax provisions in the health care bill that may directly increase taxes on some individuals and families earning less than \$200,000 and \$250,000 per year. Furthermore, other tax provisions in the bill that directly affect businesses may ultimately affect individuals and families earning less than \$200,000 and \$250,000, respectively, to the extent that increased taxes results in higher prices for the products of the affected businesses.” (Joint Committee On Taxation, [Letter To Senator Tom Coburn](#), 3/20/12)

- **ObamaCare's Individual Mandate Tax Will Fall Squarely On The Backs Of The Middle-Class.** “One provision that directly increases taxes is the penalty on taxpayers who fail to maintain

minimum essential health insurance coverage. The penalty is the greater of a flat dollar amount per uninsured person that rises to \$695 in 2016 (and is indexed by inflation thereafter) or a percentage of the household's income. In both cases, an overall cap applies to family payments. The penalty applies to individuals at all income levels." (Joint Committee On Taxation, [Letter To Senator Tom Coburn](#), 3/20/12)

66 Percent Of Young Americans Are "Strongly Opposed" To The Individual Mandate. "Like Americans overall, young people support many elements of the ACA (coverage of pre-existing conditions, standards for health plans), but are strongly opposed to the individual mandate requiring nearly all Americans to get health care coverage. 66 percent disapprove of it, according to a December CBS News/New York Times poll." ("As Deadline Arrives, Americans Still Disapprove Of ObamaCare," [CBS News](#), 3/31/14)

- **76 Percent Of Young Americans Say Getting Coverage Will Hurt Them Financially.** "Cost is a concern. That same poll also found that while a majority (53 percent) of Americans under age 30 thinks getting health insurance may improve the quality of their health, three in four (76 percent) say getting that coverage will hurt them financially." ("As Deadline Arrives, Americans Still Disapprove Of ObamaCare," [CBS News](#), 3/31/14)

Stuck Between High Health Care Premiums Under ObamaCare And Higher Taxes, Many Americans Face Paying The Tax

A Pottery Shop Owner In Rural Georgia Has Decided To Pay \$700 In ObamaCare Mandated Penalties For Her And Her Husband After Rates On The ObamaCare Exchange Were Unaffordable. "Even some people who qualify for federal assistance, such as Stacie Brown, owner of a pottery shop, are balking. The cheapest 'bronze' plan for Brown, her husband and son would cost the family \$300 a month but not begin paying medical bills until they exceeded the \$6,300 individual deductible. The cheapest silver plan would cost \$508 a month but not start paying until a \$3,000 individual deductible was met. Her son's pediatrician was not in any of the networks, and that was the one medical service she felt sure her family would use. Brown ultimately bought a \$256-a-month Assurant Health plan for her son, sold outside the marketplace, which covers his pediatrician and unlimited office visits. She and her husband have decided to forgo coverage for themselves, even though they may face a tax penalty of \$700. 'I can't afford the affordable health care,' she said. 'I don't know anyone in this area who can afford it, and I do pretty well in life.'" (Jordan Rau, "In Rural Georgia, Federal Health Insurance Marketplace Proves Unaffordable To Many," [The Washington Post](#), 2/1/14)

High Health Care Costs For An Indianapolis Tax Preparer Have Led Him To Consider Paying ObamaCare's Individual Mandate Tax. "Self-employed Indianapolis tax preparer Ed Gagen likewise has not found the affordable part of the law. Gagen and his wife went without insurance before the law took effect because they couldn't find a plan that fit their budget. Costs are even higher now, said Gagen, who is leaning toward staying uninsured, even though that means paying a penalty — either \$95 a person or 1 percent of modified household income, whichever is higher. 'I think it's going to be far less than what the insurance would cost,' Gagen said of the federal fee for people who don't buy insurance." (Maureen Groppe, "Affordable Care Act Not So Affordable, Some Hoosiers Say," [The Indianapolis Star](#), 3/25/14)

- **Ed Gagen: "They Can Drop That Affordable Word."** "'They can drop that affordable word,' he said. 'I don't think it's affordable without subsidies.'" (Maureen Groppe, "Affordable Care Act Not So Affordable, Some Hoosiers Say," [The Indianapolis Star](#), 3/25/14)

But Americans Will Pay More In ObamaCare Mandated Taxes Than The \$95 That's Often Reported

Americans Have Been Misled About How Much They Will Pay If Penalized By The Individual Mandate. “CMS not only is now talking about the penalty, but also it isn't mentioning that it starts at \$95. It's become clear in recent weeks that people tend to see \$95 as the amount they would have to pay, rather than 1% of their income above the tax filing threshold, which is often more.” (Louise Radnofsky, “Administration Starts Warning Of Penalties For Those Without Health Coverage,” [The Wall Street Journal](#), 3/27/14)

- **The Tax Policy Center: ObamaCare's Individual Mandate Tax “Is Almost Always More Than The \$95 That News Stories Frequently Cite.”** “The deadline for obtaining health insurance to avoid the penalty is March 31. According to the Tax Policy Center, the penalty is ‘almost always more than the \$95 that news stories frequently cite.’” (John D. McKinnon, “ObamaCare Penalty To Exceed \$95 For Many Americans,” [The Wall Street Journal's Washington Wire](#), 3/6/14)

The Penalty For A Family Of Four Making \$50,000 A Year Would Be \$300 And \$800 For A Family Earning \$100,000. “In a more common case — a married couple with two kids making \$50,000 a year on the adjusted basis — the penalty for not having insurance could run about \$300 a year. The same couple making \$100,000 a year on this basis could be subject to a fine of about \$800.” (John D. McKinnon, “ObamaCare Penalty To Exceed \$95 For Many Americans,” [The Wall Street Journal's Washington Wire](#), 3/6/14)

Obama's Allies Have Recognized That The Individual Mandate May Need To Go

Obama's Former Advisor And Press Secretary Robert Gibbs Recently Questioned Whether ObamaCare's Individual Mandate Was The Right Path Forward. “In his hour-long speech — which included questions and answers — Gibbs admitted to questioning whether the individual mandate as part of the law was the way to go; being embarrassed and critical over the ‘truly horrible’ exchange rollout last fall; and cringing when former Speaker of the House Nancy Pelosi infamously quipped ‘we have to pass the bill to find out what's in it.’” (Kathryn Mayer, “Gibbs Predicts Employer Mandate Will Be Killed,” [BenefitsPro](#), 4/2/14)

Last Month, 27 Democrats Voted To Delay ObamaCare's Individual Mandate. “The House voted Wednesday to delay tax penalties for failing to buy health insurance this year under ObamaCare, a vote that reflects growing Republican frustration with President Obama's selective implementation of the law. Members voted 250-160 in favor of the bill, which attracted the support of 27 Democrats.” (Pete Kasperowicz, “27 Democrats Support House GOP Bill To Delay ObamaCare Penalty,” [The Hill's Floor Action](#), 3/5/14)

- **The Bipartisan House Vote Defied Veto Threats From The Obama White House.** “Late Tuesday, the White House reiterated these same arguments and said delaying the penalty would undercut the law dramatically. The administration's veto threat said the GOP bill would ‘increase health insurance premiums, decrease tax credits, increase the number of uninsured, and shift costs to businesses, workers and healthcare providers.’” (Pete Kasperowicz, “27 Democrats Support House GOP Bill To Delay ObamaCare Penalty,” [The Hill's Floor Action](#), 3/5/14)

AMERICANS FACE “SURPRISE” TAX BILLS UNLESS THEY CAN PREDICT THEIR FUTURE EARNINGS

Millions Of Americans “Could Get Stung By Surprise Tax Bills.” “Millions of people who take advantage of government subsidies to help buy health insurance next year could get stung by surprise tax bills if they don't accurately project their income.” (Stephen Ohlemacher, “ObamaCare Credits Could Trigger Surprise Tax Bills,” [The Associated Press](#), 4/2/13)

“Millions Of Middle-Income Families” Could Get Hit By Higher Tax Bills If They Fail To Accurately Project Future Income. “What happens if you or your spouse gets a raise and your family income goes up in 2014? You could end up with a bigger subsidy than you are entitled to. If that happens, the law says

you have to pay back at least part of the money when you file your tax return in the spring of 2015. That could result in smaller tax refunds or surprise tax bills for millions of middle-income families.” (Stephen Ohlemacher, “ObamaCare Credits Could Trigger Surprise Tax Bills,” [The Associated Press](#), 4/2/13)

Former Health Care Counsel For Internal Revenue Service: “I Can’t Think Of What Else They Do In The Tax System Currently That Works That Way.” “‘I think this will be the hardest thing for members of the public to understand because it is a novel aspect of this tax credit,’ said Catherine Livingston, who recently served as health care counsel for the Internal Revenue Service. ‘I can’t think of what else they do in the tax system currently that works that way.’ Livingston is now a partner in the Washington office of the law firm Jones Day.” (Stephen Ohlemacher, “ObamaCare Credits Could Trigger Surprise Tax Bills,” [The Associated Press](#), 4/2/13)

- **ObamaCare Contains “The Largest Set Of Tax Law Changes In More Than 20 Years.”** “The health care law ‘includes the largest set of tax law changes in more than 20 years,’ according to the Treasury inspector general who oversees the IRS. The agency will have to hire thousands of workers to manage it, requiring significant budget increases that already are being targeted by congressional Republicans determined to dismantle the president’s signature initiative.” (Stephen Ohlemacher, “The Tax Man Cometh To Police You On Health Care,” [The Associated Press](#), 7/7/12)

OBAMACARE WON’T BE A RELIEF TO THE MAJORITY OF AMERICANS WHO ALREADY THINK TAXES ARE TOO HIGH

Politico Headline: “Poll: Most Say Federal Taxes Too High.” (Lucy McCalmont, “Poll: Most Say Federal Taxes Too High,” [Politico](#), 4/14/14)

According To A Recent Gallup Poll, A Majority Of Americans (Fifty-Two Percent) Say That Federal Income Taxes Are “Too High.” “The day before Tax Day, April 15, a new poll shows that more than half of Americans think the amount they pay in federal income taxes is too high. Fifty-two percent said the amount they have to pay is too high, while 42 percent called it ‘about right,’ according to a Gallup poll released Monday.” (Lucy McCalmont, “Poll: Most Say Federal Taxes Too High,” [Politico](#), 4/14/14)

- **The Number Of Americans Saying That Their Federal Income Taxes Are “Too High” Has Increased 6 Percentage Points From 2012.** “The percentage who say their taxes are too high has hovered around 50% since 2003, although the current 52% is up from 46% two years ago.” (Rebecca Riffkin, “More Than Half Of Americans Say Federal Taxes Too High,” [Gallup](#), 4/14/14)
- **The Numbers Marked “The Highest Since Before The Height Of The Great Recession.”** “This year, 52% of Americans feel they pay too much, the highest since before the height of the Great Recession in October 2008.” (Rebecca Riffkin, “More Than Half Of Americans Say Federal Taxes Too High,” [Gallup](#), 4/14/14)
- **58 Percent Of Independents Say Their Taxes Are “Too High.”** (Rebecca Riffkin, “More Than Half Of Americans Say Federal Taxes Too High,” [Gallup](#), 4/14/14)