

NEWS RELEASE

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Employers Applaud Two-Year Delay of the 40 Percent Tax on Health Benefits

Washington – The <u>National Coalition on Benefits</u>, comprised exclusively of businesses and employer associations, today applauded Congress for passing legislation that will delay implementation of the 40 percent tax on health benefits for two years.

"On behalf of employers, both large and small, we thank Congress for passing legislation that places a two-year delay on the implementation of the 40 percent tax on health benefits," said Andrew M. Mekelburg, Co-Chair of the National Coalition on Benefits. "More than 150 million Americans rely on employer-sponsored health care benefits. By delaying the implementation of the 40 percent tax, Congress and the Administration will now have the time to protect those benefits."

The broad application of the 40 percent tax will mean that, over time, the health plans offered by all U.S. employers will be subject to the tax. Employers are united in the concern that the 40 percent tax will distort the employer-sponsored health care marketplace and lead to dramatic reductions in the level and richness of benefits offered to employees and their families.

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The National Coalition on Benefits (NCB) is dedicated to preserving the benefits of the more than 150 million Americans who receive health insurance through employers. The Coalition is comprised of major employer trade associations, representing large and small employers. NCB also includes many large employers with employees in all 50 states (see www.coalitiononbenefits.org).