

National
Coalition on

BENEFITS

December 16, 2015

The Honorable Paul Ryan
Speaker
U.S. House of Representatives

The Honorable Mitch McConnell
Majority Leader
U.S. Senate

Dear Speaker Ryan and Majority Leader McConnell:

On behalf of the National Coalition on Benefits (NCB), **we thank you for including a two-year delay of the 40 percent tax on health benefits in the *Consolidated Appropriations Act of 2016*.**

NCB is comprised *exclusively* of businesses and employer associations dedicated to supporting the employer-sponsored coverage valued by more than 150 million American beneficiaries.

Employers believe that delaying implementation of the 40 percent tax is important for three reasons:

1. The broad application of this tax means that, over time, the health benefits of all U.S. employers will be subject to the tax, resulting in a distortion of the employer-sponsored health care marketplace that will lead to dramatic reductions in the level and richness of benefits offered to employees;
2. The estimated job losses from implementing this tax could total 2.6 million by 2035; and
3. It is also estimated that the economic impact of this tax will be significant as it would result in a 1.7 percent reduction in GDP by 2035.

On behalf of American businesses, workers and their families, we urge Congress to pass this delay to avoid disrupting the employer-sponsored coverage that millions of Americans rely on, to protect jobs and to support U.S. economic growth.

Sincerely,

National Coalition on Benefits