

Small Employer HealthCare Tax Credit Estimator

Prepared for: **Sample Company**

Tax credit year The default is 2016, but the estimate can also be run for 2015 tax year

Is company tax exempt? Enter "N" or "Y"

Annual premium paid/to be paid by employer (optional) Include only that amount of premium paid by company, not employees. Don't include premium paid for owners or owner's relatives

For each employee, enter actual or estimated hours worked during the year (includes paid holidays/PTO) and their actual/estimated pay
 Do not include hours or pay for owners or their relatives or seasonal workers. Add rows if necessary.

	Actual or Estimated Hours Worked/to be Worked During the Year	Counted Hours (don't modify)	Actual or Estimated Pay for the Year
Employee1	2,080	2,080	\$19,757
Employee2	2,080	2,080	\$36,606
Employee3	2,080	2,080	\$16,000
Employee4	2,080	2,080	\$31,405
Employee5	2,080	2,080	\$29,004
Employee6	2,080	2,080	\$19,492
Employee7	2,080	2,080	\$16,951
Employee8	2,080	2,080	\$41,748
Employee9	2,080	2,080	\$17,297
Employee10	2,080	2,080	\$19,096
Employee11		-	
Employee12		-	
Employee13		-	
Employee14		-	
Employee15		-	
Employee16		-	
Employee17		-	
Employee18		-	
Employee19		-	
Employee20		-	
Total		20,800	\$247,356

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Based on the data entered in the Worksheet, this employer qualifies for:

Estimated Tax Credit %	50%	
Estimated Value of Credit	\$ 10,000	Will be \$0 if no employer premium amount entered on worksheet
For the tax year	2016	
Full-time Equivalent EE's	10	
Average Annual Wage	\$24,736	

Notes:

THIS ESTIMATOR IS FOR ILLUSTRATION PURPOSES ONLY AND SHOULD NOT BE CONSTRUED AS TAX ADVICE.

See IRS web site for reference: <http://www.irs.gov/uac/Small-Business-Health-Care-Tax-Credit-for-Small-Employers>

Qualified Employees: Do not include hours worked by owners or relatives of owners. Not to exceed 2080 hours per individual per year

Qualified Average Wages: Do not include wages by owners and relatives of owners when entering actual/estimated pay.

Tax exempt organizations get the credit against 941 taxes [medicare & income tax withheld]. The organization must generally be a 501(c) organization.

Payments by employees under Cafeteria Plan [IRC Section 125] are not included in the Health Care premium.

Employer must pay 50% or more of Qualified Health Care premium.

The small employer health insurance credit is a component of the general business credit [Code Sec 38(b)(36) and may be carried back one tax year and forward 20 tax years.

For AMT purposes, the small employer health insurance credit is treated as a specified credit that may be claimed in full against both regular and AMT liabilities (Code Sec 38(c)(4)(B)(vi)).

The employer's business deduction for employee benefits will be reduced by any amount of tax credit taken.

To qualify for the credit in the 2015 tax year:

- a) if the employer does not currently offer coverage, the employer must enroll in a SHOP plan during 2015
- b) if the employer offers coverage through a non-SHOP plan, the employer must convert to a SHOP plan during 2015

To maximize the amount of the credit the employer should enroll in a SHOP plan at the beginning or early in its tax year.

Updated: 12/18/14