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BENEFIT CONSULTING GROUP

NEWS BULLETIN

Tax Reform Bill Contains Repeal of Individual Mandate for 2019

On December 20th Congress passed the tax reform bill, [Tax Cuts and Jobs Act](#), which beginning in 2018 changes individual and corporate provisions of the U.S. tax code, including a reduction in the corporate tax rate to 21%, down from 35%. The bill also includes permanent repeal of the Affordable Care Act (ACA) individual mandate that requires individuals to purchase and maintain health coverage, by eliminating the penalty beginning in 2019. For 2018, individuals are still required to maintain coverage or pay a penalty when they file their 2018 federal income tax return.

The bill was negotiated by a conference committee of representatives from both the Senate and House after each chamber passed their own versions of tax reform. The final bill was passed 51-48 by the Senate and 224-201 by the House before being sent to the President. President Trump is expected to sign the bill into law.

The GOP will continue to push for repeal of the Employer Mandate as well but for now the ACA Employer Mandate for Applicable Large Employers (50+) remains in place.

We will continue to keep you up to date.

The Benefit Consulting Group
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As always, this material is intended for informational purposes only and is not to serve as instruction or legal counsel.

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