

# ALLIANCE TO FIGHT THE 40

Stop the 40% tax on health benefits



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## **THE 40% “CADILLAC TAX” HAS BEEN REPEALED** *President Signs Historic Legislation Repealing Harmful Tax on Working Families*

**Washington, D.C.** – Today, the **Alliance to Fight the 40|Don't Tax My Health Care**, a broad-based coalition committed to repealing the 40% tax on employer-provided health benefits, today applauded the president for signing in to law H.R. 1865, the end-of-year appropriations and tax bill, that included a provision to fully repeal the 40 percent excise tax on employer health care coverage. Enacted as part of the Affordable Care Act, this “Cadillac Tax” targeted the coverage of women, families, and older, sicker workers and was already driving up out-of-pocket costs.

“Today is a great day for the 178 million Americans who get their health care coverage from an employer,” said James A. Klein, president of the American Benefits Council. “Repealing this onerous tax will help protect the employer-provided health care system that efficiently and effectively covers more than half of all Americans.

“Thank you to Senate Majority Leader Mitch McConnell, House Speaker Nancy Pelosi, Senate Minority Leader Charles Schumer, and House Minority Leader Kevin McCarthy for working together to include full repeal of the ‘Cadillac Tax’ in the end-of-year appropriations and tax bill,” Klein continued.

“Working families have been facing higher costs and shrinking coverage as a result of this looming tax. Full repeal would not have made it this far without the tireless work of our congressional champions, Senators Mike Rounds and Martin Heinrich and Representatives Joe Courtney and Mike Kelly. We are also deeply appreciative of Ways & Means Committee Chairman Richard Neal, whose support signaled the need to move this legislation through the House and set up the historic 419 to 6 vote in the House to repeal this tax.

“Signing this bill in to law is an historic action that shows the commitment from the president and the support of the Congress to help keep health care coverage affordable for the 178 million Americans who enjoy health coverage through an employer.

“Working families have waited far too long to see this tax repealed and now share in a momentous victory.

“The Alliance to Fight the 40 formed in 2015 and we have been working hand-in-glove with both parties on both sides of the Capitol. We thank the Administration and Congress for recognizing the importance of the employer-sponsored health system and we urge Congress to continue building on this critical foundation, which 93% of Americans think should remain tax-free,” Klein concluded.

***The Alliance to Fight the 40|Don't Tax My Health Care*** is a broad-based coalition comprised of private sector businesses, local governments, patient advocates, organizations representing both large and small employers, unions, consumer groups and other stakeholders that support employer-provided health coverage. This coverage is the backbone of our health care system and protects more than 178 million Americans. The Alliance seeks to repeal the 40 percent “Cadillac Tax” on health benefits and to prevent increased income taxes on workers, families and retirees who rely on employer-provided health coverage. The Alliance is committed to ensuring that employer-provided coverage remains an effective and affordable option for working Americans and their families. Follow us on Twitter @FightThe40

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