

ALLIANCE TO FIGHT THE 40

Stop the 40% tax on health benefits

For Immediate Release

December 18, 2015

Contact: [Tara Bradshaw](mailto:Tara.Bradshaw@alliance40.org) (202) 467- 4306

Congress Passes Two Year “Cadillac Tax” Delay

Washington, D.C. – Today, the Congress passed a two-year delay of the “Cadillac Tax,” which was included in the Omnibus spending package. The Senate Omnibus package was approved by a vote of 65 to 33. The House of Representatives approved the package by a vote of 316 to 113. The legislation is currently awaiting Presidential signature.

“We applaud Congress for passing a two-year delay of the ‘Cadillac Tax’ and thank the Congressional champions who made this possible. The delay provides a much-needed down payment toward the ultimate goal of full repeal,” said James A. Klein, President of the **American Benefits Council**.

“The breadth of concern about the tax is evidenced in the composition of our growing coalition – patient advocates, private sector and public sector employers, unions and non-profit groups. We are united in support of defending the health coverage that protects over 175 million Americans,” said Klein.

“Congress has done the right thing to delay a 40 percent tax that would make employer-sponsored health insurance more difficult for workers to afford and threaten patient access to potentially lifesaving care,” said Chris Hansen, president of the **American Cancer Society Cancer Action Network (ACS CAN)**.

“The cost of medical care is what truly drives health insurance premiums and the Cadillac tax does very little to rein in healthcare costs. For many small employers, health insurance is more expensive than ever,” said Janet Trautwein, CEO of the **National Association of Health Underwriters**. “Delaying and hopefully repealing the Cadillac tax will make health insurance more affordable, and encourage more employers to retain coverage for their workers.”

“We are pleased that Congress has taken a solid first step to protect the wages and benefits of millions of hard working Americans,” said D. Taylor, President of **UNITEHERE**. “Our union is proud to engage this fight and will continue to do so.”

“Consistent analysis has shown that the ‘Cadillac Tax’ disproportionately harms dependent coverage for children, and we’re pleased to see there was broad, bipartisan support in Congress to delay the tax,” said Bruce Lesley, President of **First Focus**, a national children’s advocacy organization. “This is a win for families.”

“NTCA—The Rural Broadband Association is pleased that Congress voted in support of the a two-year delay of the 40% tax on employee health benefits as part of the 2016 omnibus appropriations bill,” said Shirley Bloomfield, CEO of **NTCA—The Rural Broadband Association**. “This provision is a step in the right direction toward a full repeal, and will be important to help small businesses like those NTCA represents attract and retain qualified employees in rural America.”

"We commend our partners on Capitol Hill for recognizing that counties must continue to offer competitive health benefits to attract and retain quality employees," said **National Association of Counties** President Sallie Clark. "A two-year delay is a good start, and we will work toward a full repeal because the excise tax on employer-sponsored health coverage would have significant impacts on county budgets and taxpayers."

The “Cadillac Tax” is a 40% non-deductible tax on the cost of employer-sponsored health coverage that exceeds certain benefit thresholds.

The Alliance to Fight the 40 is a broad based coalition comprised of public and private sector employer organizations, consumer groups, patient advocates, employee advocates, health care companies, businesses and other stakeholders that support employer-sponsored health coverage. This coverage is the backbone of our health care system and protects over 175 million Americans across the United States. The Alliance seeks to repeal the 40% tax on employee health benefits to ensure that employer-sponsored coverage remains an effective and affordable option for working Americans and their families.

For more information on the 40% Tax on Health Benefits, visit our website at www.fightthe40.com or follow us on Twitter @Fightthe40.

###