

# **BROKER** *Connection*

## SPECIAL EDITION

**December 22, 2015**

### **Budget and Tax Deal Delays Excise Tax to 2020**

President Obama has signed an agreement on two major legislative packages regarding the budget and tax agreements that were previously approved by Congress.

The two-part agreement consists of a \$1.1 trillion budget to fund federal agencies through fiscal year 2016 and a \$650 billion tax package that would renew various tax breaks that have ended or are about to expire for the next 10 years.

These bills included changes that affect several health care related provisions under the Affordable Care Act (ACA).

ACA provisions included in the agreement would:

- Delay implementation of the ACA Excise Tax ("Cadillac" tax) for two years, making it effective in 2020, instead of 2018
- Implement a moratorium on the ACA 2.3 percent Medical Device Tax, which has already taken effect. This tax would not apply to sales for calendar year 2016 and 2017
- Suspend the ACA Health Insurance Tax for one year (2017)
- Extend a measure that prevents the federal government from shifting funds to pay for the ACA's risk corridors program

For more information, please contact your UnitedHealthcare account team.