

(C) by striking subclause (III) and inserting the following:

“(III) 73 percent in the case of an eligible insured whose household income is more than 200 percent but not more than 250 percent of the poverty line for a family of the size involved; and

“(IV) 70 percent in the case of an eligible insured whose household income is more than 250 percent but not more than 400 percent of the poverty line for a family of the size involved.”; and

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking “90” and inserting “94”; and

(ii) by striking “and”;

(B) in subparagraph (B)—

(i) by striking “80” and inserting “87”; and

(ii) by striking the period and inserting “; and”;

and

(C) by inserting after subparagraph (B) the following new subparagraph:

“(C) in the case of an eligible insured whose household income is more than 200 percent but not more than 250 percent of the poverty line for a family of the size involved, increase the plan’s share of the total allowed costs of benefits provided under the plan to 73 percent of such costs.”.

SEC. 1002. INDIVIDUAL RESPONSIBILITY.

(a) AMOUNTS.—Section 5000A(c) of the Internal Revenue Code of 1986, as added by section 1501(b) of the Patient Protection and Affordable Care Act and amended by section 10106 of such Act, is amended—

(1) in paragraph (2)(B)—

(A) in the matter preceding clause (i), by—

(i) inserting “the excess of” before “the taxpayer’s household income”; and

(ii) inserting “for the taxable year over the amount of gross income specified in section 6012(a)(1) with respect to the taxpayer” before “for the taxable year”;

(B) in clause (i), by striking “0.5” and inserting “1.0”;

(C) in clause (ii), by striking “1.0” and inserting “2.0”;

and

(D) in clause (iii), by striking “2.0” and inserting “2.5”;

and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking “\$750” and inserting “\$695”;

(B) in subparagraph (B), by striking “\$495” and inserting “\$325”; and

(C) in subparagraph (D)—

(i) in the matter preceding clause (i), by striking “\$750” and inserting “\$695”; and

(ii) in clause (i), by striking “\$750” and inserting “\$695”.

(b) THRESHOLD.—Section 5000A of such Code, as so added and amended, is amended—

(1) by striking subsection (c)(4)(D); and

(2) in subsection (e)(2)—

(A) by striking “UNDER 100 PERCENT OF POVERTY LINE” and inserting “BELOW FILING THRESHOLD”; and
(B) by striking all that follows “less than” and inserting “the amount of gross income specified in section 6012(a)(1) with respect to the taxpayer.”.

SEC. 1003. EMPLOYER RESPONSIBILITY.

(a) **PAYMENT CALCULATION.**—Subparagraph (D) of subsection (d)(2) of section 4980H of the Internal Revenue Code of 1986, as added by section 1513 of the Patient Protection and Affordable Care Act and amended by section 10106 of such Act, is amended to read as follows:

“(D) **APPLICATION OF EMPLOYER SIZE TO ASSESSABLE PENALTIES.**—

“(i) **IN GENERAL.**—The number of individuals employed by an applicable large employer as full-time employees during any month shall be reduced by 30 solely for purposes of calculating—

“(I) the assessable payment under subsection (a), or

“(II) the overall limitation under subsection (b)(2).

“(ii) **AGGREGATION.**—In the case of persons treated as 1 employer under subparagraph (C)(i), only 1 reduction under subclause (I) or (II) shall be allowed with respect to such persons and such reduction shall be allocated among such persons ratably on the basis of the number of full-time employees employed by each such person.”.

(b) **APPLICABLE PAYMENT AMOUNT.**—Section 4980H of such Code, as so added and amended, is amended—

(1) in the flush text following subsection (c)(1)(B), by striking “400 percent of the applicable payment amount” and inserting “an amount equal to $\frac{1}{12}$ of \$3,000”;

(2) in subsection (d)(1), by striking “\$750” and inserting “\$2,000”; and

(3) in subsection (d)(5)(A), in the matter preceding clause (i), by striking “subsection (b)(2) and (d)(1)” and inserting “subsection (b) and paragraph (1)”.

(c) **COUNTING PART-TIME WORKERS IN SETTING THE THRESHOLD FOR EMPLOYER RESPONSIBILITY.**—Section 4980H(d)(2) of such Code, as so added and amended and as amended by subsection (a), is amended by adding at the end the following new subparagraph:

“(E) **FULL-TIME EQUIVALENTS TREATED AS FULL-TIME EMPLOYEES.**—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph, an employer shall, in addition to the number of full-time employees for any month otherwise determined, include for such month a number of full-time employees determined by dividing the aggregate number of hours of service of employees who are not full-time employees for the month by 120.”.

(d) **ELIMINATING WAITING PERIOD ASSESSMENT.**—Section 4980H of such Code, as so added and amended and as amended by the preceding subsections, is amended by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively.