



GROSS TAX INCREASES IN DEMOCRAT HEALTH BILLS

Below is a comparison of the gross tax increases (over the period 2010-2019) contained in the Senate-passed health bill (H.R. 3590), the Senate bill combined with the proposed reconciliation bill (H.R. 4872), and the reconciliation bill alone (assuming prior enactment of the Senate bill). Items marked with an asterisk (*) indicate a violation of President Obama's pledge to avoid tax increases on Americans earning less than \$200,000 for singles and \$250,000 for couples.

PROVISION	SENATE BILL ALONE	SENATE BILL PLUS RECONCILIATION BILL	RECONCILIATION BILL ALONE (IMPLIED)
"Cadillac tax" on high-cost plans *	148.9	32.0	-116.9
Medicare tax on wages and self-employment income (and, under reconciliation bill, certain investment income)	86.8	210.2	123.4
Annual tax on health insurance providers *	59.6	60.1	0.5
Employer mandate tax *	27.0	52.0	25.0
Annual tax on drug manufacturers / importers *	22.2	27.0	4.8
Annual tax on medical device manufacturers / importers *	19.2	20.0	0.8
Information reporting on payments to corporations	17.1	17.1	0.0
Raise 7.5% AGI floor on medical expense deduction to 10% *	15.2	15.2	0.0
Individual mandate tax *	15.0	17.0	2.0
Limit FSAs in cafeteria plans *	14.0	13.0	-1.0
Eliminate deduction for expenses allocable to Medicare Part D subsidy	5.4	4.5	-0.9
Restrict HSAs, HRAs, and FSAs *	5.0	5.0	0.0
Impose tax on tanning services *	2.7	2.7	0.0
Impose fee on insured and self-insured health plans; patient-centered outcomes research trust fund *	2.6	2.6	0.0
Increase penalty for nonqualified HSA distributions *	1.3	1.4	0.1
Limit deduction for compensation to officers, employees, directors, and service providers of certain health insurance providers	0.6	0.6	0.0
Modify section 833 treatment of certain health organizations	0.4	0.4	0.0
Other revenue effects	77.3	60.3	-17.0
Employer W-2 reporting of value of health benefits	Negligible	Negligible	Negligible
Additional requirements for section 501(c)(3) hospitals	Negligible	Negligible	Negligible
Deny eligibility of "black liquor" for cellulosic biofuel producer credit	N/A	23.6	23.6
Codify economic substance doctrine	N/A	4.5	4.5
TOTAL GROSS TAX INCREASE	520.3	569.2	48.9

Dollar amounts in \$ billions. All estimates provided by JCT and CBO; calculations by Ways and Means and Senate Finance Republican Staff. * = violation of President Obama's tax pledge. March 19, 2010 – 11:00 a.m.