

THE AFFORDABLE CARE ACT AND YOUR TAXES

The Affordable Care Act (ACA) brings a lot of changes to this year's tax code.

What's most important is to be aware if your taxes and tax refund could be affected.

25-30 MILLION will be affected by the tax implications of the ACA this year.*

If you had insurance in 2014 from your employer, you may not see a difference. **But if you fall into one of these two categories, you may see the biggest impact on your tax return:**

So, Meet Dan and Lucy.

You got insurance through the federal or state marketplace and received financial assistance to pay for your monthly premiums (an Advance Premium Tax Credit)

1. Received the Advance Premium Tax Credit

2. 2014 estimated Income: \$38,000

3. Estimated Tax Credits: \$2,800

4. Actual Income: \$50,000

5. Eligible for \$1,500 in tax credits

85% of those who enrolled in a health plan on the marketplace qualified to receive tax credits to make coverage more affordable.**

66% don't know taking a tax credit could affect their tax refund.***

Dan and Lucy Have to pay the government back \$1,300 for the excess tax credit, which will be taken out of their tax refund.

OWE \$1,300

Meet Ray and Vicky.

If you or someone in your family was uninsured for all or part of 2014 you could face a tax penalty.

1. Taxable household income: \$65,000

2. Doesn't qualify for any exemptions; will have to pay ACA Tax Penalty

3. Penalty = \$447 = 1% of their taxable household income, minus the minimum filing amount (1% x \$65,000 - \$20,300)

Myth: Many people think this will only cost \$95

Fact: \$95 per adult OR 1% of taxable household income (minus the minimum filing amount), or whichever amount is greater

Ray and Vicky Have to pay the government back \$447 because they did not qualify for any exemptions since one of them did not have insurance.

OWE \$447

30+ exemptions you can apply for:

BUT YOU MAY QUALIFY FOR AN EXEMPTION

Exemptions you claim on your tax return.



Exemptions granted by the Health Insurance Marketplace.



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January 8, 2015 is H&R Block ACA Q&A Day



- Meet with an H&R Block ACA Specialist
- Get a free personalized ACA Tax Impact Analysis to learn how the ACA might affect your refund before you sit down to do your taxes
- Visit the H&R Block ACA website www.hrblock.com/acataximpact for easy-to-understand ACA information, videos and FAQs

Sources: Congressional Budget Office (2014)* | Kaiser Family Foundation (2014)** | Based on a national survey conducted by The Tax Institute at H&R Block and ORC International (2014)***