

# Sequestration Cuts Small Business Health Care Tax Credit Refunds

The automatic spending cuts known as sequestration are having a significant impact on small businesses, including reducing the amount of tax credits they can receive for providing health insurance to their employees.



## [Sequestration Cuts Small Business Health Care Tax Credit Refunds By 8.7% \(OPEN MINDS Weekly News Wire Book 2024\)](#) by Cassandra Gaisford

★★★★☆ 4.2 out of 5

Language	: English
File size	: 194 KB
Text-to-Speech	: Enabled
Screen Reader	: Supported
Enhanced typesetting	: Enabled
Word Wise	: Enabled
Print length	: 3 pages
Lending	: Enabled



Under the Small Business Health Care Tax Credit, businesses with fewer than 25 employees can receive a tax credit of up to 50% of the cost of health insurance premiums for their employees. However, sequestration has reduced the amount of this credit by 5%, meaning that businesses are now only eligible for a credit of up to 45% of the cost of premiums.

This reduction in the tax credit is a significant blow to small businesses, which are already struggling with the rising cost of health insurance. According to a survey by the National Federation of Independent Business, the average cost of health insurance for a small business has increased by 20% in the past five years.

The reduction in the tax credit will make it even more difficult for small businesses to afford to provide health insurance to their employees. This could lead to more businesses dropping their health insurance plans, which would leave their employees without coverage.

The impact of the tax credit reduction is particularly acute for businesses in low-income communities. These businesses are more likely to have employees who are uninsured or underinsured, and they are less likely to be able to afford the rising cost of health insurance.

The reduction in the tax credit is a shortsighted policy that will have a negative impact on small businesses and their employees. Congress should take action to restore the full amount of the tax credit and help small businesses provide health insurance to their employees.

## **What You Can Do**

There are a number of things that you can do to help small businesses get the health care tax credit they deserve:

- Contact your members of Congress and urge them to support legislation to restore the full amount of the tax credit.
- Join or support organizations that are working to advocate for small businesses.

- Spread the word about the impact of the tax credit reduction on small businesses.

### Additional Resources

- Small Business Administration: Health Care
- IRS: Small Business Health Care Tax Credit
- National Federation of Independent Business: Small Business Healthcare Tax Credit

The reduction in the Small Business Health Care Tax Credit is a significant blow to small businesses and their employees. Congress should take action to restore the full amount of the tax credit and help small businesses provide health insurance to their employees.

Take Action



### [Sequestration Cuts Small Business Health Care Tax Credit Refunds By 8.7% \(OPEN MINDS Weekly News Wire Book 2024\)](#) by Cassandra Gaisford

★ ★ ★ ★ ☆ 4.2 out of 5

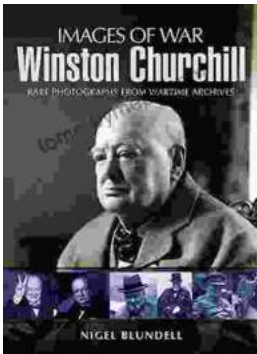
- Language : English
- File size : 194 KB
- Text-to-Speech : Enabled
- Screen Reader : Supported
- Enhanced typesetting : Enabled
- Word Wise : Enabled
- Print length : 3 pages
- Lending : Enabled

FREE DOWNLOAD E-BOOK 



## [Embark on an Epic Journey: "Spirit of Colombia: Arctic to Antarctic"](#)

Prepare to embark on an extraordinary literary voyage with "Spirit of Colombia: Arctic to Antarctic." This captivating book chronicles the awe-inspiring expedition...



## [Winston Churchill Images Of War: A Visual Journey Through the Life of a Legendary Leader](#)

Winston Churchill, one of the most iconic and influential figures in history, left an indelible mark on the world. As Prime Minister of the United Kingdom during World War II,...