

Notice 2015-16

MAY - 7 2015

From: admin@taigaventures.com
Sent: Wednesday, May 06, 2015 12:54 PM
To: Notice Comments
Cc: carole@taigaventures.com; mike@taigaventures.com
Subject: Notice 2015-16 Alaska Health Care Costs

To the IRS
Dear Sirs

As a small Alaska employer, we are commenting on the potential 40% excise tax that could be implemented in 2018 by regulations deriving from the Affordable Care Act, on employer contributed and managed health plans that exceed the \$10,200 threshold. In our state the cost of medical care far exceeds the national average and this threshold is not sufficient. As a small business with 12 average employees, it is already hard to afford health care for the workforce but such an additional tax would of necessity cause an intolerable financial burden on both employer and employees in Alaska.

The Kaiser Family Foundation, State Health Facts, confirms the cost of health care for Alaskans is higher than for people in any other state. In Alaska, the total premium cost for single coverage in 2013 was 32 percent higher than the U.S. average; for employee-plus-one coverage, Alaska's average cost was 35 percent higher than the U.S. average; and for family coverage, Alaska's cost was 29 percent higher than the national average.

Therefore we urge the IRS to establish and apply a geographical differential equation for high cost states such as Alaska when implementing the excise tax thresholds.

Thank you

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