

IRS Updates Penalty and Affordability Amounts for 2017 “Pay or Play” Requirements

The IRS has updated its existing Q&As on the Affordable Care Act’s employer shared responsibility (“pay or play”) requirements to reflect adjustments to the pay or play penalty and affordability amounts. Those adjustments are as follows:

- For calendar year 2017, the applicable per-employee dollar penalties of \$2,000 and \$3,000 are adjusted to \$2,260 and \$3,390, respectively.
- For plan years beginning in 2017, the affordability threshold for purposes of both the pay or play affordability safe harbors and the premium tax credit provisions is 9.69%.

The Q&As also address what counts as an “offer of coverage” for purposes of pay or play compliance. [Click here](#) to view the Q&As in their entirety.

For more information on this and other industry topics or Cypress services, please contact:

Greg Berth
Appleton, WI
(877) 236-0844

gregb@cypressbenefit.com

Tami Eddie, RHU, REBC
Omaha, NE
(800) 223-5508

tamie@cypressbenefit.com

Andrew Rozmiarek
Denver, CO
(877) 236-0844

andrewr@cypressbenefit.com

Julie Kohanek, RHU
Omaha, NE
(800) 223-5508

juliek@cypressbenefit.com

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