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For Immediate Release

Year-End Tax Giveaway by Congress Helps Health Insurers, Denies Help to Working Families

*\$176 Billion in ACA Health Industry Taxes Repealed, but Working Family Tax Credits
Not Expanded by \$131 Billion*

Washington, D.C.—[A year-end budget deal](#) due for a vote in Congress this week rewards health-industry corporations with expensive tax cuts that gut funding for the Affordable Care Act (ACA), while failing to extend key working-family tax credits that lift families and children out of poverty and would have cost much less. It's another example of a rigged system that gives huge tax handouts to the wealthy and big business at the expense of the health and economic security of working Americans.

The [\\$426 billion tax package](#) would repeal two key taxes—one on health insurers, the other on medical-device makers—that help fund the ACA's expansion of health coverage to millions of previously uninsured families. The taxes were used as a funding device because both industries have benefitted from millions of new customers brought into the healthcare system by enactment of healthcare reform.

Repeal of the health insurers' tax will cost the ACA approximately [\\$151 billion in funding](#) over 10 years. Doing away with the medical device tax will cost an additional \$26 billion.

While Congress is set to aid two profitable sectors of the healthcare industry to the tune of \$176 billion in total, it has turned its back on low-income families by failing to include reforms to some key working-family tax credits that would cost the government much less—\$131 billion.

It had been expected that the end-of-year bill would include improvements to the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) approved this summer by the House Ways and Means Committee. The [fixes to these vital poverty-fighting programs](#) would have extended the EITC to include millions of hardworking but childless adults, and fully covered tens of millions of low-income children now excluded from full coverage by the expanded CTC program created two years ago. The [total 10-year cost](#) of the Ways and Means bill—the great bulk of which consists of the improvements to the EITC and CTC—is \$131 billion.

“Congress is poised to give greedy health-industry executives and shareholders everything they ever wanted for Christmas by repealing two key tax supports for the ACA,” said Frank

Clemente, executive director of Americans for Tax Fairness. “But millions of low-income, needy working families will find their stockings empty.”

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