

The House of Representatives in a bipartisan vote on July 17th –

supported the repeal of the Cadillac Tax on high-cost employer health insurance in the Affordable Care Act. Democrats argued that it would be a tax on working families, as employers would shift costs to them through decreased wages.

The tax would impose a 40% excise tax beginning in 2022 on employer-provided health benefits that exceed \$11,200 for an individual or \$30,100 for a family. The idea behind the tax was to incentivize employers to offer less generous plans as well as to pay for the ACA. Health economists and the White House Office of Management and Budget (OMB) warn that repealing the tax would add to the national debt. The Senate will take up the issue this fall. If the tax happens, it will affect about 21% employers, according to the [Kaiser Family Foundation](#).