

## More Good News for Small Businesses on Health Reform Tax Credits

The IRS delivered more good news for small businesses which may qualify for significant tax credits under health insurance reform. The Affordable Care Act is providing tax credits, effective beginning in tax year 2010, for millions of American small businesses to help them offer health insurance coverage to their employees – if they choose to do so.

The IRS announced a number of details of how the tax credit works, including:

- that the new tax credit will not be reduced by a state health care tax credit or subsidy (except in limited circumstances to prevent abuse of the credit);
- that small businesses can receive the credit not only for traditional health insurance coverage but also for add-on dental, vision, and other limited-scope coverage; and
- detailed guidance on how a small business can determine whether it is eligible and how large a credit it will receive.

This is even better news for the small businesses in San Antonio, which under health reform can get tax credits to cover 35% of the small business's premium costs this year, and 50% beginning in 2014.

These businesses are not required to provide health insurance, but many want to in order to retain and recruit good workers. The IRS has made it clear that affordable coverage for small businesses is a top priority, and we will continue to work hard to make sure reform is working for them.

For more information on the IRS guidance issued, click [here](#) .