



AMERICAN BENEFITS
COUNCIL

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Council applauds inclusion of urgently needed 'Cadillac Tax' delay in stopgap spending bill

WASHINGTON, DC - "The inclusion of a critical two-year delay of the 40 percent 'Cadillac Tax' in the proposed government funding bill is an encouraging sign that our message is breaking through," Council President James A. Klein said today. "Employer-sponsored benefits are the bedrock of the nation's health coverage system and we are gratified Congress is recognizing that by delaying this tax."

"A tax on employer-sponsored health benefits is a tax on more than 178 million Americans," Klein said. "While this tax currently is scheduled to go into effect in 2020, employers actually make benefits decisions 18 to 24 months in advance - meaning that the tax is already affecting American workers who rely on high-quality, affordable health coverage. We greatly appreciate Congress delaying the tax now so employers can shift their focus away from reluctantly cutting vital health benefits to avoid the "Cadillac Tax" and instead focus on strengthening the economy and creating jobs."

In [a recent letter to congressional leadership](#), the Council urged immediate action to address the "Cadillac Tax" and support employer-sponsored health coverage.

"We understand there is a lot at stake in the ongoing spending negotiations. But delay of the so-called 'Cadillac Tax' is simple and uncontroversial," Klein said. "We encourage lawmakers to enact this provision as soon as possible."

For more information on health policy matters, or to arrange an interview with Klein, contact Jason Hammersla, Council vice president, communications, at jhammersla@abcstaff.org or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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The American Benefits Council is the national trade association for companies concerned about federal legislation and regulations affecting all aspects of the employee benefits system. The Council's members represent the entire spectrum of the private employee benefits community and either sponsor directly or administer retirement and health plans covering more than 100 million Americans.