

520. Health Insurance Plans

Beginning with the 2022 tax year, the Affordable Care Act requires plan sponsors to pay a 40% excise tax (known as the Cadillac tax) on the excess cost of employer-sponsored health coverage provided to employees—amounts over \$10,200 for employee-only coverage and \$27,500 for family coverage, adjusted for inflation annually (projected to exceed \$11,000 and \$29,000 in 2022).