

## SMALL BUSINESS HEALTH CARE TAX CREDIT

### 3 SIMPLE STEPS

If you are a small employer (business or tax-exempt) that provides health insurance coverage to your employees, determine if you may qualify for the **Small Business Health Care Tax Credit** by following these three simple steps.

**1** Determine the total number of your employees (not counting owners or family members):

Full-time employees: \_\_\_\_\_  
(enter the number of employees who work at least 40 hours per week)

+

Full-time equivalent of part-time employees: \_\_\_\_\_  
(Calculate the number of full-time equivalents by dividing the total annual hours of part-time employees by 2080.)

=

total employees

If the total number of employees is fewer than 25 **GO TO STEP 2**

**2** Calculate the average annual wages of employees (not counting owners or family members):

Take the total annual wages paid to employees: \_\_\_\_\_

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Divide it by the number of employees from Step 1: \_\_\_\_\_  
(total wages /number of employees)

=

average wages

If the result is less than \$50,000 **AND**

**3** You pay at least half of the insurance premiums for your employees at the single (employee-only) coverage rate then you may be able to claim the **Small Business Health Care Tax Credit**.