



# HOUSE DEMOCRAT HEALTH CARE TAX HIKE BREAKS OBAMA \$250,000 NO-TAX PLEDGE

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Besides being the largest tax hike in American history, the House Democrat health care tax increase breaks Obama's pledge not to raise any taxes on any American making less than \$250,000:

***"I can make a firm pledge. Under my plan, no family making less than \$250,000 a year will see any form of tax increase. Not your income tax, not your payroll tax, not your capital gains taxes, not any of your taxes."***  
(Barack Obama, September 12, 2008, Dover, NH)

The following tax increases will directly hit Americans making less than \$250,000 per year:

- a **tax on individuals failing to sign up for health care** equal to the lesser of 2.5% of adjusted gross income (AGI) or the average individual premium amount. There is no income floor on this, so this would hit any uninsured American of any income
- a **tax on employers for not providing a health care plan** equal to 8% of payroll. This becomes 0, 4, or 6 percent of payroll as payday totals dip below \$400,000 annually. This will even hit the smallest of small businesses, those making profits of less than \$250,000
- **codification of the "economic substance doctrine,"** whereby taxpayers would not be able to engage in legal tax avoidance techniques without demonstrating a bona fide business purpose. This would apply not only to large companies and wealthy individuals, but any taxpayer of any income who engages in a legal tax avoidance technique

These are only the tax increases which would fall *directly* on Americans making less than \$250,000. This doesn't account for the other tax increases in the bill on small businesses which will kill jobs and slash wages.

**President Obama should publicly repudiate these taxes, which are a clear and direct violation of his campaign promise he made again and again in 2008 not to raise any taxes at all on families making less than \$250,000.**