

# Deseret News

## One year into health care reform, small businesses still not taking advantage of available tax credits

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SALT LAKE CITY — It has been a year since new federal health care legislation took effect, and small businesses in Utah still aren't taking advantage of available credits for insuring their employees.

Numbers across the country are way below expectations, and yet, when members of Congress lobbied for \$4 billion to cover the available tax credits, they assumed small-business owners would use it, according to Terry Gardiner, national policy director for **Small Business Majority**, a business advocacy group.

"We're finding that less than half of all small businesses have ever even heard of the small-business credit," Gardiner said, adding that the credit was written into the Patient Protection and Affordable Care Act to help small-business owners offset the rising costs of insurance.

The 18-page equation application can be off-putting to some, but St. George-based insurance broker and small-business owner Gerene Mason says it's worth it.

"Like a lot of small-business owners, I like to treat my employees like family," Mason said.

However, unlike a lot of small-business owners, Mason pays 100 percent of the single rate for medical and dental insurance for her seven employees.

And after pushing through the paperwork for a federal tax credit, Mason's Southern Utah Insurance business has received a \$1,250 credit for premiums paid on at least two employees' insurance coverage last year. That money prevented them from having to raise the deductible for all employees.

"It is definitely worth it," she said. "It is definitely going to help, moving forward, with increasing (health care) costs."

The **small-business tax credit** is a provision included in the health care reform law that aims to lower small employer's costs, making it easier to afford insurance for themselves and their employees.

Gardiner said various groups are now working with government officials to identify and refine the new law's deficiencies to make it work for more businesses.

According to a recent survey by the **Utah Health Policy Project**, there are nearly 60,000 small-business owners in the state who employ nearly 50 percent of the entire workforce. Officials believe they are key to the future economic recovery, but many are struggling to afford health insurance coverage for their employees.

"While some are taking advantage of the tax credits, there's still a lot of confusion about this law, especially within the small business community," Gardiner said. "Small-business owners are still struggling to keep their doors open. They need to know about provisions in this law that will help them."

Judi Hilman, executive director of Utah Health Policy Project, said the credit exists to help "bring immediate relief" to small businesses struggling with "unmanageable costs."

"We have our work cut out for us in terms of helping small-business owners use the tax credits — and the new wellness grants coming online later this year," Hilman said.

The project helps train brokers and accountants to better utilize the available helps from current and future benefits dealing with ongoing health care reform.

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