



BENEFIT NEWS BRIEFS

Michigan's 1% Health Insurance Claims Tax Sunset Date Extended from 2014 to 2018

Legislation extending Michigan's 1% health insurance claims tax was signed into law recently. The law was originally scheduled to sunset January 1, 2014 but has been given a new sunset date of January 1, 2018. According to published reports, the tax was extended because it did not take in as much money as anticipated due to overestimates of the size of the taxable base and underestimates of the volume of claims by out-of-state insurers not subject to the tax. *The sunset extension was the only change made to the law.*

The State of Michigan's webpage with information and tax forms is found at: <http://www.michigan.gov/taxes/0,4676,7-238-43519-264498--,00.html>.

Previous newsletters detailing the law and its effects include:

Benefit News Briefs 2011-56

New Michigan Law Will Establish Two-Year 1% Tax on Certain Paid Health Care Claims Beginning January 1, 2012
Tax will Sunset January 1, 2014

Benefit News Briefs 2011-83

Update on Michigan 1% Health Care Claims Tax
Does it Apply to Out-of-State TPAs and Multiemployer GHPs?

Benefit News Briefs 2012-19

Hearing Set on Legality of Michigan Law's 1% Tax on Certain Paid Health Care Claims

Benefit News Briefs 2012-46

District Court Upholds Michigan 1% Health Care Claims Tax

Once passed, taxes are hard to do away with. This tax is here now until at least 2018. We will take a look at the law when 2017 rolls around, but won't be surprised if the sunset date is pushed back again.

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