

Estimator for 2010 Small Group Tax Credit for Tax Exempt Groups

Based on Current Understanding of the Patient Protection and Affordable Care Act

Step

- A Multiply the annual medical premium paid by the Municipality times .25
- B Determine the number of full time equivalents (FTE) --Total hours worked for all employees divided by 2080 (Round Down) Use 2080 or less for any one employee
- C Determine Average Wages (total wages paid divided by FTE) round to next lower \$1,000
- D Find the Average Wage in the table below and multiply the corresponding Offset Percentage times the result in step A from above
- E Find the number of Full Time Equivalents in the table below and multiply the corresponding Offset percentage times the result from step A above
- F Subtract the total of the results in D and E above from A Above

Average Wage	Offset Percentage	Full Time Equivalents	Offset Percentage
Up to 25000	0%	Up to 10	0.00%
26000	4%	11	6.67%
27000	8%	12	13.33%
28000	12%	13	20.00%
29000	16%	14	26.67%
30000	20%	15	33.33%
31000	24%	16	40.00%
32000	28%	17	46.67%
33000	32%	18	53.33%
34000	36%	19	60.00%
35000	40%	20	66.67%
36000	44%	21	73.33%
37000	48%	22	80.00%
38000	52%	23	86.67%
39000	56%	24	93.33%
40000	60%	25	100.00%
41000	64%		
42000	68%		
43000	72%		
44000	76%		
45000	80%		
46000	84%		
47000	88%		
48000	92%		
49000	96%		
50000	100%		

Example	Steps	Formula	Results	Final
Premium	A	\$140,000*25%	\$35,000	35,000
FTEs	B	21,600/20,800	10.3846154	10
Avg Wage	C	380,450/10	38,045	38,000
Offset	D	52%*35,000	18,200.00	18,200
Offset	E	0%*35,000	0.00%	-
FICATax Credit	F	35,000-(18,200+0)	16,800.00	16,800