

Part III

Administrative, Procedural, and Miscellaneous

26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.
(Also Part 1, §§ 36B, 1.36B-2, 1.36B-3.)

Rev. Proc. 2021-36

SECTION 1. PURPOSE

This revenue procedure provides the applicable percentage table (Applicable Percentage Table) in § 36B(b)(3)(A) of the Internal Revenue Code (Code) for taxable years beginning in calendar year 2022. This table is used to calculate an individual's premium tax credit under § 36B. This revenue procedure also provides the indexing adjustment for the required contribution percentage (Required Contribution Percentage) in § 36B(c)(2)(C)(i)(II) for plan years beginning in calendar year 2022. This percentage is used to determine whether an individual is eligible for affordable employer-sponsored minimum essential coverage.

SECTION 2. ADJUSTED ITEMS

.01 *Applicable Percentage Table for 2022.* Section 9661 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARP), added § 36B(b)(3)(A)(iii) to the Code to provide an Applicable Percentage Table that applies for taxable years beginning in calendar years 2021 and 2022. For taxable years beginning in calendar year 2022, the Applicable Percentage Table for purposes of § 36B(b)(3)(A) and § 1.36B-3(g) of the Income Tax Regulations is:

Household income percentage of Federal poverty line:	Initial percentage	Final percentage
Less than 150%	0.00%	0.00%
At least 150% but less than 200%	0.00%	2.00%
At least 200% but less than 250%	2.00%	4.00%
At least 250% but less than 300%	4.00%	6.00%
At least 300% but less than 400%	6.00%	8.50%
At least 400% and higher	8.50%	8.50%

.02 *Required Contribution Percentage for 2022.*

(1) Section 9661 of the ARP did not amend the indexing rules under § 36B(c)(2)(C)(iv) relating to the Required Contribution Percentage. See § 36B(b)(3)(A)(iii)(I). The Required Contribution Percentage for plan years beginning in calendar year 2022 is indexed based on the rates of premium growth relative to the rates of income growth in the Department of Health and Human Services (HHS) Notice of Benefit and Payment Parameters for 2022 and Pharmacy Benefit Manager Standards (86 F. R. 24140; May 5, 2021). In addition, the additional adjustment provided in § 36B(b)(3)(A)(ii)(II) is not required for plan years beginning in 2022 because the Department of the Treasury and the Internal Revenue Service have determined that the failsafe exception described in § 36B(b)(3)(A)(ii)(III) applies for plan years beginning in calendar year 2022.

(2) For plan years beginning in calendar year 2022, the Required Contribution Percentage for purposes of § 36B(c)(2)(C)(i)(II) and § 1.36B-2(c)(3)(v)(C) is 9.61%.

SECTION 3. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2014-37, 2014-2 C.B. 363, is supplemented.

SECTION 4. EFFECTIVE DATE

This revenue procedure is effective for taxable years and plan years beginning in calendar year 2022.

SECTION 5. DRAFTING INFORMATION

The principal author of this revenue procedure is Bill Ruane of the Office of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this revenue procedure, contact Mr. Ruane at (202) 317-4718 (not a toll-free call).