Small Business Health Care Tax Credit Scenarios

Examples of Employers Receiving the Credit

Example 1: Auto Repair Shop with 10 Employees Gets $24,500 Credit for 2010

*Main Street Mechanic:*
- **Employees:** 10
- **Wages:** $250,000 total, or $25,000 per worker
- **Employee Health Care Costs:** $70,000

2010 Tax Credit: $24,500 (35% credit)

2014 Tax Credit: $35,000 (50% credit)

Example 2: Restaurant with 40 Part-Time Employees Gets $28,000 Credit for 2010

*Downtown Diner:*
- **Employees:** 40 half-time employees (the equivalent of 20 full-time workers)
- **Wages:** $500,000 total, or $25,000 per full-time equivalent worker
- **Employee Health Care Costs:** $240,000

2010 Tax Credit: $28,000 (35% credit with phase-out)

2014 Tax Credit: $40,000 (50% credit with phase-out)

Example 3: Foster Care Non-Profit with 9 Employees Gets $18,000 Credit for 2010

*First Street Family Services.org:*
- **Employees:** 9
- **Wages:** $198,000 total, or $22,000 per worker
- **Employee Health Care Costs:** $72,000

2010 Tax Credit: $18,000 (25% credit)

2014 Tax Credit: $25,200 (35% credit)