

Why Should You Use New York's Small Business Health Options Program (SHOP)?

Tax Benefits for Your Business.

If you offer your employees health coverage through the SHOP Exchange, you may be able to use the Small Business Health Care Tax Credit. As of 2014, **SHOP is the only place you will be able to access this tax credit.** You may qualify for a tax credit of up to 50% (up to 35% for non-profits) of eligible premium expenses to offset the cost of insurance for you and your employees.

Employers are eligible for the tax credit if they:

- Have 25 or fewer full-time employees (2 half-time employees can count as one full-time employee)
- Pay employees an average of less than \$50,000 per year
- Contribute at least 50 percent toward employee premium costs (for an individual, not family)

Small businesses eligible for the tax credit also will be able to claim a business expense deduction for the premiums in excess of the credit, since the amount of the health insurance premium payments are more than the total credit. You will get **both** a credit and a deduction for employee premium payments.

More Information

Detailed information about the Small Business Health Care Tax Credit is available through the Exchange website at HealthBenefitExchange.ny.gov.

