

PCORI Excise Tax and Your Difference Card Account

PCORI Fee is due by July 31, 2020

How much is the tax and when is it due?

All Employers should pay the tax for all employees covered in self-funded plans like The Difference Card.

Your insurance carrier is responsible for paying the tax on underlying plan that are fully insured. You will only be responsible for paying the tax **ONCE** per year based on your Difference Card covered lives.

The signing of the [Further Consolidated Appropriations Act, 2020](#) at the close of 2019 provided an extension of the Affordable Care Act's (ACA) Patient-Centered Outcomes Research Institute (PCORI) fees through September 20, 2029.

For policy and plan years ending from January 1, 2019 – September 30, 2019, the tax is equal to \$2.45 times the number of covered employees.

For plan years ending from October – December 2019, the PCORI fee is \$2.54 per life.

EXAMPLE PLAN YEAR	AVG. NUMBER OF COVERED EMPLOYEES	TAX PER LIFE	=	TAX DUE
September 30, 2019	148 Employees	\$2.45 per life	=	\$362.60
December 31, 2019	148 Employees	\$2.54 per life	=	\$375.92

The tax should be paid by July 31, 2020 via the IRS Form 720 Quarterly Federal Excise Tax Return.

NOTE: The PCORI tax is a part of the excise tax provisions of the Internal Revenue Code. The Difference Card does not provide legal or tax advice and recommends that you discuss all related items with your company tax/finance advisor.

If you have any questions about your Difference Card covered lives, please contact your Difference Card Account Consultant.