Providing Small Business Tax Credits to Offset Premium Costs for Small & Local Businesses

LOCAL BUSINESS RELIEF COALITION

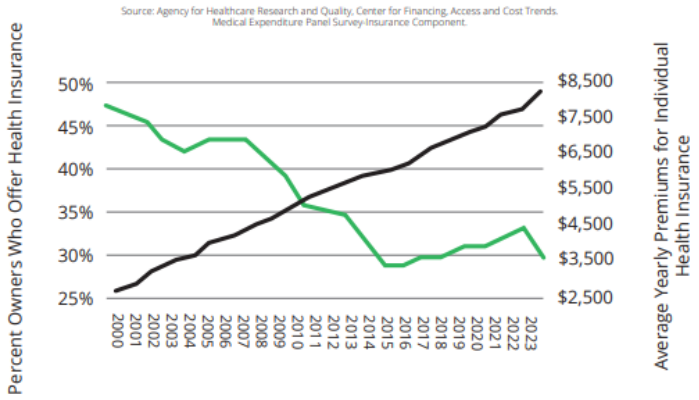
Local Businesses Need Relief

Small and local businesses have been facing increasing healthcare costs making it increasingly challenging to provide quality coverage to their employees.

In 2023 The National Federation of Independent Business (NFIB) released a survey assessing small businesses and health insurance. The data reveals that small businesses are facing a substantial affordability crisis in providing health insurance for their employees.

The Affordable Care Act allows certain small businesses to receive a Small Business Health Care Tax Credit. There are many small businesses in New York that do not qualify for the federal tax credit.

Health Insurance Offer Rates and Average Yearly Premiums for Businesses with Less Than 50 Employees, 2000 - 2023



Did You Know?

- According to a Kaiser Family Foundation 2021 survey, 9 out of 10 executives say it will be impossible to continue providing employee health benefits by 2030.
- 94% percent of small employers find it challenging to some degree for their business to manage the cost of offering employer-sponsored health insurance.

- **New York should provide a State-only Tax Credit that is modeled on the federal Small Business Health Care Tax Credit by expanding it to businesses with 100 or less employees.**
- **Providing local, small businesses with tax credits to offset the cost of premium payments would provide much needed relief for local businesses and their employees.**