

IRS Warns: Obamacare Tax Must Be Paid with Tax Return

Agency employs Orwellian term “Shared Responsibility Payment” to describe Obamacare individual mandate tax.

President Obama’s Internal Revenue Service today quietly released a series of Obamacare “Health Care Tax Tips” warning Americans that they must obtain “qualifying” health insurance – as defined by the federal government – or face a “shared responsibility payment” when filing their tax returns in 2015. The term “shared responsibility payment” refers to the Obamacare individual mandate tax, one of at least seven tax hikes in the healthcare law that directly hit families making less than \$250,000 per year.

In “[Four Tax Facts about the Health Care Law for Individuals](#)” the agency writes:

*Your 2014 tax return will ask if you had insurance coverage or qualified for an exemption. **If not, you may owe a shared responsibility payment when you file in 2015.***

In “[The Individual Shared Responsibility Payment- An Overview](#)” the agency warns Americans they must prove they were covered each and every month of the year:

*For any month in 2014 that you or any of your dependents don’t maintain coverage and don’t qualify for an exemption, **you will need to make an individual shared responsibility payment with your 2014 tax return filed in 2015.***

In “[IRS Reminds Individuals of Health Care Choices for 2014](#)” the agency details the calculations Americans can look forward to if they are liable for the tax:

*If you (or any of your dependents) do not maintain coverage and do not qualify for an exemption, you will need to make an **individual shared responsibility payment** with your return. In general, the payment amount is either a percentage of your household income or a flat dollar amount, whichever is greater. **You will owe 1/12th of the annual payment for each month you (or your dependents) do not have coverage and are not exempt. The annual payment amount for 2014 is the greater of:***

- *1 percent of your household income that is above the tax return filing threshold for your filing status, such as Married Filing Jointly or single, or*
- *Your family’s flat dollar amount, which is \$95 per adult and \$47.50 per child, limited to a maximum of \$285.*

As confirmed by previous [IRS testimony](#) to the tax-writing House Committee on Ways and Means, “taxpayers will file their tax returns reporting their health insurance coverage, and/or making a payment”.

Once fully phased in, the Obamacare individual mandate tax will rise steeply, to a maximum of 2.5 percent of Adjusted Gross Income or \$2,085 – whichever is higher.