

Tax and Benefits Provisions of the 2010 Health Care Act as Amended by the 2010 Health Care Reconciliation Act

Tax Changes Relating to Universal Health Coverage Mandate

Dependent coverage in employer health plans. Effective on the enactment date of the 2010 Reconciliation Act, the general exclusion for reimbursements for medical care expenses under an employer-provided accident or health plan is extended to any child of an employee who has not attained age 27 as of the end of the tax year. The Committee Report says this change is also intended to apply to the exclusion for employer-provided coverage under an accident or health plan for injuries or sickness for such a child. Also, self-employed individuals may take a deduction for any child of the taxpayer who has not attained age 27 as of the end of the tax year (Code Sec. 105 , Code Sec. 162 , Code Sec. 401 , and Code Sec. 501 , as amended by 2010 Reconciliation Act Sec. 1004(b)). For analysis, see ¶502 and ¶503 .