

## Individual Tax Penalties

**Beginning Jan 1, 2014, individuals residing in the U.S. generally must have health insurance or pay a personal tax penalty**

- Tax penalty is owed for each individual without “minimum essential coverage”
- Penalty amounts are per year and are pro-rated to apply only to months without coverage
- Short gaps in coverage lasting fewer than 3 months are waived
- May apply for religious, hardship (premium exceeds 8% of income), or certain other exemptions
- “Excess income” is household adjusted gross income less dependent exemptions and the standard deduction

2014	2015	2016 & After
<ul style="list-style-type: none"><li>• \$95/yr per adult</li><li>• \$47.50/yr per child</li><li>• \$285/yr cap</li><li>• Or 1% of excess income, if greater</li></ul>	<ul style="list-style-type: none"><li>• \$325/yr per adult</li><li>• \$162.50/yr per child</li><li>• \$975/yr cap</li><li>• Or 2% of excess income, if greater</li></ul>	<ul style="list-style-type: none"><li>• \$695/yr per adult</li><li>• \$347.50/yr per child</li><li>• \$2,085/yr cap</li><li>• Or 2.5% of excess income, if greater</li></ul>