

Employer Impacts from the Tax Cut and Jobs Act



With the passage of the Tax Cut and Jobs Act, there are provisions that impact employers and group health plans. Here are 9 impacts you should be aware of.

- ✓ **1. Family and medical leave** – The Act created a tax credit for employers providing 2 – 12 weeks of annual paid family and medical leave, effective 2018 through 2019.
- ✓ **2. ACA individual mandate** – The Act eliminated mandate penalties effective 2019.
- ✓ **3. Transportation fringe benefits** – The Act eliminated the employer deduction for transportation fringe benefits, effective 2018.
- ✓ **4. Bicycle commuting reimbursement** – The Act suspends the \$20/month exclusion from employee income, effective 2018 through 2025.
- ✓ **5. Meals** – The Act eliminates the employer deduction for meals served on premises, effective 2026.
- ✓ **6. Moving expense reimbursement** – The Act suspends the individual deduction for work-related moving expenses, effective 2018 through 2025.
- ✓ **7. Business-related entertainment, amusement, and recreational activities** – The Act eliminates the employer’s deduction for these expenses, effective 2018.
- ✓ **8. Employee achievement awards** – The Act limits the employer deduction and employee exclusion from income for employee achievement awards, effective 2018.
- ✓ **9. ACA excise tax** – The Act does not delay, or repeal, the ACA’s excise tax on high cost coverage (the “Cadillac tax”), nor does it eliminate the employer mandate to offer coverage to full-time employees or alter employer reporting obligations.

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For more information about the passage of the Act and impacts to your organization’s employee benefit offerings, contact your Alliant representative.

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