

Mendel Quoted in *Tax Notes* Story Regarding the Affordable Care Act's Employer Mandates

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Linda Mendel, of counsel in the Vorys Columbus Office, was quoted throughout a *Tax Notes* story titled "Employers Await Guidance on Health Insurance Mandate."

According to the story, employers are awaiting proposed federal regulations related to section 4980H of the Affordable Care Act. The government will be able to impose a penalty on large employers under section 4980H if a full-time employee receives subsidized health insurance and the employer does not provide minimum essential coverage.

The story states:

"Whether the penalties apply to a new business is based on the reasonable number of employees expected in the current calendar year. Businesses that have more than 50 FTE employees for 120 days or less are eligible for an exception if the excess employees for that period are seasonal workers.

The 50-employee threshold could create a cliff effect for some businesses. The inclusion of FTE employees may make it difficult for small businesses to track whether they cross the threshold. 'Small companies may only find out after the fact that they are subject to 4980H,' said Mendel. Subtracting 30 full-time employees from the penalty calculation provides a cushion for smaller businesses that might be subject to section 4980H."

To read the entire story, visit the *Tax Notes* [website](#). (Subscription required).