

## Taxpayer Information

Susan' 2017 filing status is Single

Born April 8, 1985 and 2017 W-2 income of \$20,000

Was enrolled in employer-sponsored insurance for the entire year. Her share of the insurance premium was \$140 per month.

Lived in zip code 60601 (Cook County, Illinois) for all of 2017

<div style="border: 1px solid black; padding: 5px;"> <p><b>ACA Exemptions Related to Income Tool (2017)</b></p> <p style="text-align: center;"><input type="button" value="Start Over"/></p> <hr/> <p><b>Household</b></p> <p>State: <input type="text" value="Illinois"/></p> <p>Filing status: <input type="text" value="Single"/></p> <p>Is the taxpayer or spouse age 65 or older?: <input type="text" value="No"/></p> <p>Total number of people in the tax household: <input type="text" value="1"/></p> <hr/> <p><b>Income</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">On the tax return:</th> <th style="width: 20%; text-align: center;">Dependent income <small>(only if filing requirement)</small></th> </tr> </thead> <tbody> <tr> <td><b>Adjusted gross income</b> <small>(Form 1040 line 37)</small></td> <td style="text-align: right;">\$ <input type="text" value="20,000"/></td> <td style="text-align: right;">\$ <input type="text"/></td> </tr> <tr> <td><b>Tax-exempt interest</b> <small>(Form 1040 line 8b)</small></td> <td style="text-align: right;">\$ <input type="text"/></td> <td style="text-align: right;">\$ <input type="text"/></td> </tr> <tr> <td><b>Social Security income</b> <small>(Form 1040 line 20a)</small></td> <td style="text-align: right;">\$ <input type="text"/></td> <td style="text-align: right;">\$ <input type="text"/></td> </tr> <tr> <td><b>Taxable Social Security</b> <small>(Form 1040 line 20b)</small></td> <td style="text-align: right;">\$ <input type="text"/></td> <td style="text-align: right;">\$ <input type="text"/></td> </tr> <tr> <td><b>Foreign income</b> <small>(Form 2555 line 45 and 50)</small></td> <td style="text-align: right;">\$ <input type="text"/></td> <td style="text-align: right;">\$ <input type="text"/></td> </tr> <tr> <td><b>Pre-tax deduction for employer-sponsored coverage</b></td> <td style="text-align: right;">\$ <input type="text"/></td> <td style="text-align: right;">\$ <input type="text"/></td> </tr> <tr> <td>Subtotal</td> <td style="text-align: right;">\$20,000</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Household income</td> <td></td> <td style="text-align: right;">\$20,000</td> </tr> </tbody> </table> </div>		On the tax return:	Dependent income <small>(only if filing requirement)</small>	<b>Adjusted gross income</b> <small>(Form 1040 line 37)</small>	\$ <input type="text" value="20,000"/>	\$ <input type="text"/>	<b>Tax-exempt interest</b> <small>(Form 1040 line 8b)</small>	\$ <input type="text"/>	\$ <input type="text"/>	<b>Social Security income</b> <small>(Form 1040 line 20a)</small>	\$ <input type="text"/>	\$ <input type="text"/>	<b>Taxable Social Security</b> <small>(Form 1040 line 20b)</small>	\$ <input type="text"/>	\$ <input type="text"/>	<b>Foreign income</b> <small>(Form 2555 line 45 and 50)</small>	\$ <input type="text"/>	\$ <input type="text"/>	<b>Pre-tax deduction for employer-sponsored coverage</b>	\$ <input type="text"/>	\$ <input type="text"/>	Subtotal	\$20,000	\$0	Household income		\$20,000	<p><a href="#">The ACA Exemptions Related to Income Tool can be accessed here (right-mouse click to select option to open in new tab)</a></p> <p>Select the tool for tax year 2017</p>
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<div style="border: 1px solid black; padding: 5px;"> <p><b>Test for Exemption for Income Below Filing Threshold (Form 8965, Line 7)</b></p> <p><small>*Note: Also calculated in TaxSlayer. This tool does not consider gross income below filing threshold.</small></p> <p>Taxpayer's filing threshold is... <span style="float: right;">\$10,400</span></p> <p>Is income below the filing threshold? <span style="float: right;">No, exemption does not apply. Continue</span></p> </div>	<p>The taxpayer's household income exceeds the filing threshold. We next need to check if there's any employer offer of insurance.</p>																											

**Test for Code A Exemption (Affordability)**

**8.16% of income**

\$1,632

**Note:** If offers of coverage, family composition or location of family members changed during the year, you may need to run this section more than once for selected months. For example, if the taxpayer had no coverage offer at the start of the year, then in June gets a new job with an offer of coverage, determine affordability separately for Jan-May and June-Dec. In all cases, continue to use the annualized income above.

**1. Does the taxpayer (or spouse) have an offer of self-only coverage from his or her own employer? If yes, determine the offer's affordability and STOP for this individual.**

Yes

	Taxpayer	Spouse
<b>Self-only premium</b> (per month)	\$ 140	\$

**Annual Cost** \$1,680

Taxpayer's cost of self-only coverage is unaffordable. Code A applies to taxpayer.

**Note:** If taxpayer and spouse (1) each had affordable employer offers and (2) had no affordable family offer and (3) the combined cost of the self-only offers is greater than 8.16% of income, claim Code G exemption for the entire year.

The \$1,680 annual cost of the employer-offered insurance exceeds the IRS affordability threshold (8.16% of income). The cost of self-only coverage is considered unaffordable.

Complete Form 8965, Health Coverage Exemptions. Enter Susan's name and SSN, code A, and check the box for full year.