

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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JAMES P. HOFFA
General President

March 7, 2017

The Honorable Kevin Brady
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

Dear Chairman Brady, Ranking Member Neal, Chairman Walden, and Ranking Member Pallone:

On behalf of the 1.4 million members of the International Brotherhood of Teamsters and their families, I urge you to support repeal of the 40 percent excise tax on comprehensive insurance plans when your committee considers the American Health Care Act. The Teamsters have long opposed proposals to tax worker health benefits. Attempts to tax employer provided healthcare benefits through the 40 percent excise tax on high quality health care plans or proposals to cap the tax exclusion for employer sponsored insurance reduce the health benefits that hard working Americans receive and increase their out of pocket costs.

The Teamsters believe that rejecting a cap on the tax exclusion which would have taken money directly out of the pockets of hard working men and women in the form of increased payroll and income tax liability was a wise and correct decision. However, we are disappointed that the American Health Care Act would only delay, not repeal the 40 percent excise tax on workers' health care plans.

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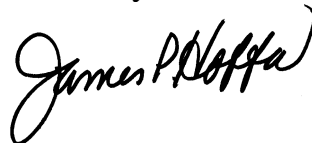
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This bill repeals all of the other taxes that were included in the Affordable Care Act, but not the so-called “Cadillac Tax.” It is unconscionable that hardworking Americans will continue to have this 40 percent penalty on benefits they’ve fought hard to receive looming over them, while insurers, corporations, and the wealthy see their taxes repealed immediately. Indeed, employers are already scaling back their health care benefits and offerings, and/or increasing workers out of pocket costs.

Congress should be looking for ways to strengthen the middle class instead of promoting policies that will ultimately take money from their hard earned paychecks and reduce, and make more costly, the health care benefits they receive.

I call on you to support the full and permanent repeal of the so-called “Cadillac Tax” when the Committee marks up the American Health Care Act.

Sincerely,

A handwritten signature in black ink that reads "James P. Hoffa". The signature is written in a cursive, flowing style.

James P. Hoffa
General President