3 SIMPLE STEPS

If you are a small employer (business or tax-exempt) that provides health insurance coverage to your employees, determine if you may qualify for the **Small Business Health Care Tax Credit** by following these three simple steps:

| 1 | Determine the total number of your employees (not counting owners or family members): | 2 | Calculate the average annual wages of employees (not counting owners or family members): | |
|---|---|---|---|--|
| | Full-time employees: (enter the number of employees who work at least 40 hours per week) | | Take the total annual wages paid to employees: | |
| | + Full-time equivalent of part-time employees: (Calculate the number of full-time equivalents by dividing the total annual hours of part-time employees by 2080.) | | Divide it by the number of employees from STEP 1: (total wages ÷ number of employees) = average wages | |
| | total employees If the total number of employees is fewer than 25 GO TO STEP 2 | | If the result is less than \$50,000, AND | |

- You pay at least half of the insurance premiums for your employees at the single (employee-only) coverage rate, then
- you may be able to claim the **Small Business Health Care Tax Credit.**Find out more information at **IRS.gov**

