

Sen. Smith: Eau Claire lawmakers introduce premium assistance tax credit to protect affordable health coverage

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Madison, Wis. — Today, Sen. Jeff Smith (D-Eau Claire) and Rep. Christian Phelps (D-Eau Claire) introduced legislation to create a state level Premium Assistance Individual Income Tax Credit to help Wisconsinites maintain access to affordable health coverage.

“Health care affordability shouldn’t depend on whether Congress acts,” said Sen. Smith. “This legislation ensures that Wisconsin families won’t see their premiums skyrocket now that the enhanced federal assistance has ended. We’re stepping up to provide that peace of mind.”

This legislation would allow Wisconsinites who pay monthly premiums for a qualified health plan under the Affordable Care Act to claim a refundable individual income tax credit equal to the amount they could previously claim under the now-expired enhanced tax credits. By immediately addressing the loss of federal enhanced premiums, this bill would work to stabilize the marketplace and help consumers maintain affordable coverage.

“Thousands of Wisconsinites have relied on premium assistance to access their health insurance,” Rep. Phelps said. “Allowing that support to disappear — especially in the wake of hospital closures and growing healthcare uncertainty in the Eau Claire area — would be devastating, forcing families to weigh unaffordable health insurance against other basic necessities. This bill would prevent people from falling through the cracks.”

The bill works as a safety net. Wisconsinites who pay premiums for a qualified health plan can claim a state income tax credit for the same amount they would have received under federal law. If the credit is larger than what someone owes in taxes, they get the difference as a refund.