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## Paychex Simplifies Small Business Tax Credit Eligibility, Filing Process for Small Business Owners

ROCHESTER, N.Y.--(BUSINESS WIRE)-- Paychex Insurance Agency, a wholly owned subsidiary of Paychex, Inc., is making it easier for small-business owners who provide health insurance to employees to determine if they qualify for the small business tax credit under the provisions of the Affordable Care Act, as well as apply for the credit on their annual tax return.

Recent hearings by the House Ways and Means Committee indicate low support of the small business tax credit among small employers due to the daunting process of first determining eligibility and then applying for the credit. By not filing for the tax credit, small businesses are potentially missing the opportunity to receive a health premium credit now, and when the credit increases in 2014. Paychex Insurance Agency is offering two valuable tools to small business owners to help ease this process.

To help determine eligibility and provide a look at potential savings, Paychex Insurance Agency offers a free, web-based [Small Business Tax Credit Estimator](#), available on [PaychexInsurance.com](#). Created using IRS guidelines, the estimator calculates the estimated credit based on employees' hours, wages, premiums, and employer contributions. The tool is a valuable resource for small employers who currently offer, or are thinking about adding, health insurance benefits, as well as for employers offering standalone dental and vision plans.

In addition to the Tax Credit Estimator, Paychex Insurance Agency offers a new [Small Business Tax Credit Package](#) to provide business owners with one simple resource that includes the critical information they need to assess their eligibility and file for the health care reform small business tax credits. In order to receive the package for the 2012 calendar tax year, business owners have to be a Paychex payroll and Paychex Insurance Agency client for the entire 2012 calendar year. The package includes a "Health Care Premium and Wage Report," which for each employee reports total annual employee payroll hours, wages, and total insurance premium contributions, along with the employer's contributions.

"Determining eligibility for the small business tax credit is anything but cut and dry, and that's why we're seeing many employers shy away from it, leaving money on the table," said Kevin Hill, Paychex vice president of insurance and human resource services solutions. "In our role of partner and resource to our clients, it's our goal to ensure they have the tools they need to do what's best for them and their business. That's what we've done with these new tax credit resources."

Made possible through the new health care reform law, the tax credit is available to small businesses for tax years 2010 through 2013, and for any two years after that. In order to

qualify for the tax credit, employers must have fewer than 25 full-time equivalent (FTE) employees for the tax year, average annual wages of less than \$50,000 per FTE, and contribute at least 50 percent of the single premium cost for each enrolled employee. The tax credit is available to employers who provide to their employees regular health insurance, and/or add-on dental or vision coverage.

[Paychex Insurance Agency](#) serves as a go-to source for current health care reform knowledge, tools, and resources. Paychex Insurance Agency services approximately 100,000 clients and is ranked the third largest U.S. Benefit specialist, according to *Business Insurance* magazine and ranked #30 on the publication's list of the 100 Largest Brokers of U.S. Business.

For more information on the small business tax credit and Paychex Insurance Agency, visit: <http://www.paychexinsurance.com/healthcarereform/taxcredits.aspx>.

### **About Paychex**

Paychex, Inc. (NASDAQ: [PAYX](#)) is a leading provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex<sup>®</sup>. Human resource services include 401(k) plan recordkeeping, section 125 plans, a professional employer organization, time and attendance solutions, and other administrative services for business. A variety of business insurance products, including group health and workers' compensation, are made available through Paychex Insurance Agency, Inc. Paychex was founded in 1971. With headquarters in Rochester, New York, the company has more than 100 offices serving approximately 564,000 payroll clients nationwide as of May 31, 2011. For more information about Paychex and our products, visit [www.paychex.com](http://www.paychex.com).

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