

Pub. L. 111-92, §11(a)(3), amended subsec. (g) generally. Prior to amendment, text read as follows: “In the case of a purchase of a principal residence after December 31, 2008, and before December 1, 2009, a taxpayer may elect to treat such purchase as made on December 31, 2008, for purposes of this section (other than subsections (c) and (f)(4)(D)).”

Pub. L. 111-5, §1006(a)(2), (c)(2), substituted “December 1, 2009” for “July 1, 2009” and “subsections (c) and (f)(4)(D)” for “subsection (c)”.

Subsec. (h). Pub. L. 111-92, §11(a)(1), substituted “May 1, 2010” for “December 1, 2009”, designated existing provisions as par. (1), inserted heading, and added par. (2).

Pub. L. 111-5, §1006(a)(1), substituted “December 1, 2009” for “July 1, 2009”.

Subsec. (h)(3). Pub. L. 111-92, §11(f), added par. (3).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111-198, §2(c), July 2, 2010, 124 Stat. 1356, provided that: “The amendments made by this section [amending this section] shall apply to residences purchased after June 30, 2010.”

EFFECTIVE DATE OF 2009 AMENDMENT

Pub. L. 111-92, §11(j)(1)–(3), Nov. 6, 2009, 123 Stat. 2991, provided that:

“(1) IN GENERAL.—The amendments made by subsections (b), (c), (d), and (g) [amending this section] shall apply to residences purchased after the date of the enactment of this Act [Nov. 6, 2009].

“(2) EXTENSIONS.—The amendments made by subsections (a) [amending this section], (f) [amending this section], and (i) [amending section 1400C of this title] shall apply to residences purchased after November 30, 2009.

“(3) WAIVER OF RECAPTURE.—The amendment made by subsection (e) [amending this section] shall apply to dispositions and cessations after December 31, 2008.”

Pub. L. 111-92, §12(e), Nov. 6, 2009, 123 Stat. 2992, provided that:

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section [amending this section and section 6213 of this title] shall apply to purchases after the date of the enactment of this Act [Nov. 6, 2009].

“(2) DOCUMENTATION REQUIREMENT.—The amendments made by subsection (b) [amending this section] shall apply to returns for taxable years ending after the date of the enactment of this Act [Nov. 6, 2009].

“(3) TREATMENT AS MATHEMATICAL AND CLERICAL ERRORS.—The amendments made by subsection (d) [amending section 6213 of this title] shall apply to returns for taxable years ending on or after April 9, 2008.”

Pub. L. 111-5, div. B, title I, §1006(f), Feb. 17, 2009, 123 Stat. 317, provided that: “The amendments made by this section [amending this section and section 1400C of this title] shall apply to residences purchased after December 31, 2008.”

EFFECTIVE DATE

Section applicable to residences purchased on or after Apr. 9, 2008, in taxable years ending on or after such date, see section 3011(c) of Pub. L. 110-289, set out as an Effective Date of 2008 Amendment note under section 26 of this title.

[§ 36A. Repealed. Pub. L. 113-295, div. A, title II, § 221(a)(5)(A), Dec. 19, 2014, 128 Stat. 4037]

Section, added Pub. L. 111-5, div. B, title I, §1001(a), Feb. 17, 2009, 123 Stat. 309, related to making work pay credit.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal effective Dec. 19, 2014, subject to a savings provision, see section 221(b) of Pub. L. 113-295, set out

as an Effective Date of 2014 Amendment note under section 1 of this title.

TREATMENT OF POSSESSIONS

Pub. L. 111-5, div. B, title I, §1001(b), Feb. 17, 2009, 123 Stat. 310, with respect to taxable years beginning in 2009 and 2010, required the Secretary of the Treasury to pay each possession of the United States with a mirror code tax system amounts equal to the loss to that possession by reason of the making work pay credit and to pay certain possessions without a mirror code tax system amounts estimated as being equal to aggregate benefits that would have been provided to its residents, and provided that, for purposes of section 1324(b)(2) of Title 31, Money and Finance, such payments to possessions would be treated in the same manner as a refund due from the credit formerly allowed under this section.

§ 36B. Refundable credit for coverage under a qualified health plan

(a) In general

In the case of an applicable taxpayer, there shall be allowed as a credit against the tax imposed by this subtitle for any taxable year an amount equal to the premium assistance credit amount of the taxpayer for the taxable year.

(b) Premium assistance credit amount

For purposes of this section—

(1) In general

The term “premium assistance credit amount” means, with respect to any taxable year, the sum of the premium assistance amounts determined under paragraph (2) with respect to all coverage months of the taxpayer occurring during the taxable year.

(2) Premium assistance amount

The premium assistance amount determined under this subsection with respect to any coverage month is the amount equal to the lesser of—

(A) the monthly premiums for such month for 1 or more qualified health plans offered in the individual market within a State which cover the taxpayer, the taxpayer’s spouse, or any dependent (as defined in section 152) of the taxpayer and which were enrolled in through an Exchange established by the State under 1311¹ of the Patient Protection and Affordable Care Act, or

(B) the excess (if any) of—

(i) the adjusted monthly premium for such month for the applicable second lowest cost silver plan with respect to the taxpayer, over

(ii) an amount equal to 1/12 of the product of the applicable percentage and the taxpayer’s household income for the taxable year.

(3) Other terms and rules relating to premium assistance amounts

For purposes of paragraph (2)—

(A) Applicable percentage

(i) In general

Except as provided in clause (ii), the applicable percentage for any taxable year

¹ So in original. Probably should be preceded by “section”.

shall be the percentage such that the applicable percentage for any taxpayer whose household income is within an income tier specified in the following table shall increase, on a sliding scale in a linear manner, from the initial premium percentage to the final premium percentage specified in such table for such income tier:

In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is—	The final premium percentage is—
Up to 133%	2.0%	2.0%
133% up to 150%	3.0%	4.0%
150% up to 200%	4.0%	6.3%
200% up to 250%	6.3%	8.05%
250% up to 300%	8.05%	9.5%
300% up to 400%	9.5%	9.5%

(ii) Indexing

(I) In general

Subject to subclause (II), in the case of taxable years beginning in any calendar year after 2014, the initial and final applicable percentages under clause (i) (as in effect for the preceding calendar year after application of this clause) shall be adjusted to reflect the excess of the rate of premium growth for the preceding calendar year over the rate of income growth for the preceding calendar year.

(II) Additional adjustment

Except as provided in subclause (III), in the case of any calendar year after 2018, the percentages described in subclause (I) shall, in addition to the adjustment under subclause (I), be adjusted to reflect the excess (if any) of the rate of premium growth estimated under subclause (I) for the preceding calendar year over the rate of growth in the consumer price index for the preceding calendar year.

(III) Failsafe

Subclause (II) shall apply for any calendar year only if the aggregate amount of premium tax credits under this section and cost-sharing reductions under section 1402 of the Patient Protection and Affordable Care Act for the preceding calendar year exceeds an amount equal to 0.504 percent of the gross domestic product for the preceding calendar year.

(iii) Temporary percentages for 2021 through 2025

In the case of a taxable year beginning after December 31, 2020, and before January 1, 2026—

(I) clause (ii) shall not apply for purposes of adjusting premium percentages under this subparagraph, and

(II) the following table shall be applied in lieu of the table contained in clause (i):

In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is—	The final premium percentage is—
Up to 150.0 percent	0.0	0.0
150.0 percent up to 200.0 percent	0.0	2.0
200.0 percent up to 250.0 percent	2.0	4.0
250.0 percent up to 300.0 percent	4.0	6.0
300.0 percent up to 400.0 percent	6.0	8.5
400.0 percent and higher	8.5	8.5

(B) Applicable second lowest cost silver plan

The applicable second lowest cost silver plan with respect to any applicable taxpayer is the second lowest cost silver plan of the individual market in the rating area in which the taxpayer resides which—

(i) is offered through the same Exchange through which the qualified health plans taken into account under paragraph (2)(A) were offered, and

(ii) provides—

(I) self-only coverage in the case of an applicable taxpayer—

(aa) whose tax for the taxable year is determined under section 1(c)² (relating to unmarried individuals other than surviving spouses and heads of households) and who is not allowed a deduction under section 151 for the taxable year with respect to a dependent, or

(bb) who is not described in item (aa) but who purchases only self-only coverage, and

(II) family coverage in the case of any other applicable taxpayer.

If a taxpayer files a joint return and no credit is allowed under this section with respect to 1 of the spouses by reason of subsection (e), the taxpayer shall be treated as described in clause (ii)(I) unless a deduction is allowed under section 151 for the taxable year with respect to a dependent other than either spouse and subsection (e) does not apply to the dependent.

(C) Adjusted monthly premium

The adjusted monthly premium for an applicable second lowest cost silver plan is the monthly premium which would have been charged (for the rating area with respect to which the premiums under paragraph (2)(A) were determined) for the plan if each individual covered under a qualified health plan taken into account under paragraph (2)(A) were covered by such silver plan and the premium was adjusted only for the age of each such individual in the manner allowed under section 2701 of the Public Health Service Act. In the case of a State participating in

² See References in Text note below.

the wellness discount demonstration project under section 2705(d) of the Public Health Service Act, the adjusted monthly premium shall be determined without regard to any premium discount or rebate under such project.

(D) Additional benefits

If—

(i) a qualified health plan under section 1302(b)(5) of the Patient Protection and Affordable Care Act offers benefits in addition to the essential health benefits required to be provided by the plan, or

(ii) a State requires a qualified health plan under section 1311(d)(3)(B) of such Act to cover benefits in addition to the essential health benefits required to be provided by the plan,

the portion of the premium for the plan properly allocable (under rules prescribed by the Secretary of Health and Human Services) to such additional benefits shall not be taken into account in determining either the monthly premium or the adjusted monthly premium under paragraph (2).

(E) Special rule for pediatric dental coverage

For purposes of determining the amount of any monthly premium, if an individual enrolls in both a qualified health plan and a plan described in section 1311(d)(2)(B)(ii)(I)² of the Patient Protection and Affordable Care Act for any plan year, the portion of the premium for the plan described in such section that (under regulations prescribed by the Secretary) is properly allocable to pediatric dental benefits which are included in the essential health benefits required to be provided by a qualified health plan under section 1302(b)(1)(J) of such Act shall be treated as a premium payable for a qualified health plan.

(c) Definition and rules relating to applicable taxpayers, coverage months, and qualified health plan

For purposes of this section—

(1) Applicable taxpayer

(A) In general

The term “applicable taxpayer” means, with respect to any taxable year, a taxpayer whose household income for the taxable year equals or exceeds 100 percent but does not exceed 400 percent of an amount equal to the poverty line for a family of the size involved.

(B) Special rule for certain individuals lawfully present in the United States

If—

(i) a taxpayer has a household income which is not greater than 100 percent of an amount equal to the poverty line for a family of the size involved, and

(ii) the taxpayer is an alien lawfully present in the United States, but is not eligible for the medicaid program under title XIX of the Social Security Act by reason of such alien status,

the taxpayer shall, for purposes of the credit under this section, be treated as an applica-

ble taxpayer with a household income which is equal to 100 percent of the poverty line for a family of the size involved.

(C) Married couples must file joint return

If the taxpayer is married (within the meaning of section 7703) at the close of the taxable year, the taxpayer shall be treated as an applicable taxpayer only if the taxpayer and the taxpayer’s spouse file a joint return for the taxable year.

(D) Denial of credit to dependents

No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins.

(E) Temporary rule for 2021 through 2025

In the case of a taxable year beginning after December 31, 2020, and before January 1, 2026, subparagraph (A) shall be applied without regard to “but does not exceed 400 percent”.

(2) Coverage month

For purposes of this subsection—

(A) In general

The term “coverage month” means, with respect to an applicable taxpayer, any month if—

(i) as of the first day of such month the taxpayer, the taxpayer’s spouse, or any dependent of the taxpayer is covered by a qualified health plan described in subsection (b)(2)(A) that was enrolled in through an Exchange established by the State under section 1311 of the Patient Protection and Affordable Care Act, and

(ii) the premium for coverage under such plan for such month is paid by the taxpayer (or through advance payment of the credit under subsection (a) under section 1412 of the Patient Protection and Affordable Care Act).

(B) Exception for minimum essential coverage

(i) In general

The term “coverage month” shall not include any month with respect to an individual if for such month the individual is eligible for minimum essential coverage other than eligibility for coverage described in section 5000A(f)(1)(C) (relating to coverage in the individual market).

(ii) Minimum essential coverage

The term “minimum essential coverage” has the meaning given such term by section 5000A(f).

(C) Special rule for employer-sponsored minimum essential coverage

For purposes of subparagraph (B)—

(i) Coverage must be affordable

Except as provided in clause (iii), an employee shall not be treated as eligible for minimum essential coverage if such coverage—

(I) consists of an eligible employer-sponsored plan (as defined in section 5000A(f)(2)), and

(II) the employee's required contribution (within the meaning of section 5000A(e)(1)(B)) with respect to the plan exceeds 9.5 percent of the applicable taxpayer's household income.

This clause shall also apply to an individual who is eligible to enroll in the plan by reason of a relationship the individual bears to the employee.

(ii) Coverage must provide minimum value

Except as provided in clause (iii), an employee shall not be treated as eligible for minimum essential coverage if such coverage consists of an eligible employer-sponsored plan (as defined in section 5000A(f)(2)) and the plan's share of the total allowed costs of benefits provided under the plan is less than 60 percent of such costs.

(iii) Employee or family must not be covered under employer plan

Clauses (i) and (ii) shall not apply if the employee (or any individual described in the last sentence of clause (i)) is covered under the eligible employer-sponsored plan or the grandfathered health plan.

(iv) Indexing

In the case of plan years beginning in any calendar year after 2014, the Secretary shall adjust the 9.5 percent under clause (i)(II) in the same manner as the percentages are adjusted under subsection (b)(3)(A)(ii).

(3) Definitions and other rules

(A) Qualified health plan

The term "qualified health plan" has the meaning given such term by section 1301(a) of the Patient Protection and Affordable Care Act, except that such term shall not include a qualified health plan which is a catastrophic plan described in section 1302(e) of such Act.

(B) Grandfathered health plan

The term "grandfathered health plan" has the meaning given such term by section 1251 of the Patient Protection and Affordable Care Act.

(4) Special rules for qualified small employer health reimbursement arrangements

(A) In general

The term "coverage month" shall not include any month with respect to an employee (or any spouse or dependent of such employee) if for such month the employee is provided a qualified small employer health reimbursement arrangement which constitutes affordable coverage.

(B) Denial of double benefit

In the case of any employee who is provided a qualified small employer health reimbursement arrangement for any coverage month (determined without regard to sub-

paragraph (A)), the credit otherwise allowable under subsection (a) to the taxpayer for such month shall be reduced (but not below zero) by the amount described in subparagraph (C)(i)(II) for such month.

(C) Affordable coverage

For purposes of subparagraph (A), a qualified small employer health reimbursement arrangement shall be treated as constituting affordable coverage for a month if—

(i) the excess of—

(I) the amount that would be paid by the employee as the premium for such month for self-only coverage under the second lowest cost silver plan offered in the relevant individual health insurance market, over

(II) $\frac{1}{2}$ of the employee's permitted benefit (as defined in section 9831(d)(3)(C)) under such arrangement, does not exceed—

(ii) $\frac{1}{2}$ of 9.5 percent of the employee's household income.

(D) Qualified small employer health reimbursement arrangement

For purposes of this paragraph, the term "qualified small employer health reimbursement arrangement" has the meaning given such term by section 9831(d)(2).

(E) Coverage for less than entire year

In the case of an employee who is provided a qualified small employer health reimbursement arrangement for less than an entire year, subparagraph (C)(i)(II) shall be applied by substituting "the number of months during the year for which such arrangement was provided" for "12".

(F) Indexing

In the case of plan years beginning in any calendar year after 2014, the Secretary shall adjust the 9.5 percent amount under subparagraph (C)(ii) in the same manner as the percentages are adjusted under subsection (b)(3)(A)(ii).

(d) Terms relating to income and families

For purposes of this section—

(1) Family size

The family size involved with respect to any taxpayer shall be equal to the number of individuals for whom the taxpayer is allowed a deduction under section 151 (relating to allowance of deduction for personal exemptions) for the taxable year.

(2) Household income

(A) Household income

The term "household income" means, with respect to any taxpayer, an amount equal to the sum of—

(i) the modified adjusted gross income of the taxpayer, plus

(ii) the aggregate modified adjusted gross incomes of all other individuals who—

(I) were taken into account in determining the taxpayer's family size under paragraph (1), and

(II) were required to file a return of tax imposed by section 1 for the taxable year.

(B) Modified adjusted gross income

The term “modified adjusted gross income” means adjusted gross income increased by—

- (i) any amount excluded from gross income under section 911,
- (ii) any amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax, and
- (iii) an amount equal to the portion of the taxpayer’s social security benefits (as defined in section 86(d)) which is not included in gross income under section 86 for the taxable year.

(3) Poverty line

(A) In general

The term “poverty line” has the meaning given that term in section 2110(c)(5) of the Social Security Act (42 U.S.C. 1397jj(c)(5)).

(B) Poverty line used

In the case of any qualified health plan offered through an Exchange for coverage during a taxable year beginning in a calendar year, the poverty line used shall be the most recently published poverty line as of the 1st day of the regular enrollment period for coverage during such calendar year.

(e) Rules for individuals not lawfully present

(1) In general

If 1 or more individuals for whom a taxpayer is allowed a deduction under section 151 (relating to allowance of deduction for personal exemptions) for the taxable year (including the taxpayer or his spouse) are individuals who are not lawfully present—

(A) the aggregate amount of premiums otherwise taken into account under clauses (i) and (ii) of subsection (b)(2)(A) shall be reduced by the portion (if any) of such premiums which is attributable to such individuals, and

(B) for purposes of applying this section, the determination as to what percentage a taxpayer’s household income bears to the poverty level for a family of the size involved shall be made under one of the following methods:

(i) A method under which—

(I) the taxpayer’s family size is determined by not taking such individuals into account, and

(II) the taxpayer’s household income is equal to the product of the taxpayer’s household income (determined without regard to this subsection) and a fraction—

(aa) the numerator of which is the poverty line for the taxpayer’s family size determined after application of subclause (I), and

(bb) the denominator of which is the poverty line for the taxpayer’s family size determined without regard to subclause (I).

(ii) A comparable method reaching the same result as the method under clause (i).

(2) Lawfully present

For purposes of this section, an individual shall be treated as lawfully present only if the individual is, and is reasonably expected to be for the entire period of enrollment for which the credit under this section is being claimed, a citizen or national of the United States or an alien lawfully present in the United States.

(3) Secretarial authority

The Secretary of Health and Human Services, in consultation with the Secretary, shall prescribe rules setting forth the methods by which calculations of family size and household income are made for purposes of this subsection. Such rules shall be designed to ensure that the least burden is placed on individuals enrolling in qualified health plans through an Exchange and taxpayers eligible for the credit allowable under this section.

(f) Reconciliation of credit and advance credit

(1) In general

The amount of the credit allowed under this section for any taxable year shall be reduced (but not below zero) by the amount of any advance payment of such credit under section 1412 of the Patient Protection and Affordable Care Act.

(2) Excess advance payments

(A) In general

If the advance payments to a taxpayer under section 1412 of the Patient Protection and Affordable Care Act for a taxable year exceed the credit allowed by this section (determined without regard to paragraph (1)), the tax imposed by this chapter for the taxable year shall be increased by the amount of such excess.

(B) Limitation on increase

(i) In general

In the case of a taxpayer whose household income is less than 400 percent of the poverty line for the size of the family involved for the taxable year, the amount of the increase under subparagraph (A) shall in no event exceed the applicable dollar amount determined in accordance with the following table (one-half of such amount in the case of a taxpayer whose tax is determined under section 1(c)² for the taxable year):

If the household income (expressed as a percent of poverty line) is:	The applicable dollar amount is:
Less than 200%	\$600
At least 200% but less than 300%	\$1,500
At least 300% but less than 400%	\$2,500.

(ii) Indexing of amount

In the case of any calendar year beginning after 2014, each of the dollar amounts in the table contained under clause (i) shall be increased by an amount equal to—
(I) such dollar amount, multiplied by
(II) the cost-of-living adjustment determined under section 1(f)(3) for the cal-

endar year, determined by substituting “calendar year 2013” for “calendar year 2016” in subparagraph (A)(ii) thereof.

If the amount of any increase under clause (i) is not a multiple of \$50, such increase shall be rounded to the next lowest multiple of \$50.

(iii) Temporary modification of limitation on increase

In the case of any taxable year beginning in 2020, for any taxpayer who files for such taxable year an income tax return reconciling any advance payment of the credit under this section, the Secretary shall treat subparagraph (A) as not applying.

(3) Information requirement

Each Exchange (or any person carrying out 1 or more responsibilities of an Exchange under section 1311(f)(3) or 1321(c) of the Patient Protection and Affordable Care Act) shall provide the following information to the Secretary and to the taxpayer with respect to any health plan provided through the Exchange:

(A) The level of coverage described in section 1302(d) of the Patient Protection and Affordable Care Act and the period such coverage was in effect.

(B) The total premium for the coverage without regard to the credit under this section or cost-sharing reductions under section 1402 of such Act.

(C) The aggregate amount of any advance payment of such credit or reductions under section 1412 of such Act.

(D) The name, address, and TIN of the primary insured and the name and TIN of each other individual obtaining coverage under the policy.

(E) Any information provided to the Exchange, including any change of circumstances, necessary to determine eligibility for, and the amount of, such credit.

(F) Information necessary to determine whether a taxpayer has received excess advance payments.

(g) Special rule for individuals who receive unemployment compensation during 2021

(1) In general

For purposes of this section, in the case of a taxpayer who has received, or has been approved to receive, unemployment compensation for any week beginning during 2021, for the taxable year in which such week begins—

(A) such taxpayer shall be treated as an applicable taxpayer, and

(B) there shall not be taken into account any household income of the taxpayer in excess of 133 percent of the poverty line for a family of the size involved.

(2) Unemployment compensation

For purposes of this subsection, the term “unemployment compensation” has the meaning given such term in section 85(b).

(3) Evidence of unemployment compensation

For purposes of this subsection, a taxpayer shall not be treated as having received (or been approved to receive) unemployment com-

pensation for any week unless such taxpayer provides self-attestation of, and such documentation as the Secretary shall prescribe which demonstrates, such receipt or approval.

(4) Clarification of rules remaining applicable

(A) Joint return requirement

Paragraph (1)(A) shall not affect the application of subsection (c)(1)(C).

(B) Household income and affordability³

Paragraph (1)(B) shall not apply to any determination of household income for purposes of paragraph (2)(C)(i)(II) or (4)(C)(ii) of subsection (c)⁴

(h) Regulations

The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section, including regulations which provide for—

(1) the coordination of the credit allowed under this section with the program for advance payment of the credit under section 1412 of the Patient Protection and Affordable Care Act, and

(2) the application of subsection (f) where the filing status of the taxpayer for a taxable year is different from such status used for determining the advance payment of the credit.

(Added and amended Pub. L. 111-148, title I, §1401(a), title X, §§10105(a)-(c), 10108(h)(1), Mar. 23, 2010, 124 Stat. 213, 906, 914; Pub. L. 111-152, title I, §§1001(a), 1004(a)(1)(A), (2)(A), (c), Mar. 30, 2010, 124 Stat. 1030, 1034, 1035; Pub. L. 111-309, title II, §208(a), (b), Dec. 15, 2010, 124 Stat. 3291, 3292; Pub. L. 112-9, §4(a), Apr. 14, 2011, 125 Stat. 36; Pub. L. 112-10, div. B, title VIII, §1858(b)(1), Apr. 15, 2011, 125 Stat. 168; Pub. L. 112-56, title IV, §401(a), Nov. 21, 2011, 125 Stat. 734; Pub. L. 114-255, div. C, title XVIII, §18001(a)(3), Dec. 13, 2016, 130 Stat. 1341; Pub. L. 115-97, title I, §11002(d)(1)(E), Dec. 22, 2017, 131 Stat. 2060; Pub. L. 117-2, title IX, §§9661(a), (b), 9662(a), 9663(a), Mar. 11, 2021, 135 Stat. 182, 183; Pub. L. 117-169, title I, §12001(a), (b), Aug. 16, 2022, 136 Stat. 1905.)

INFLATION ADJUSTED ITEMS FOR CERTAIN YEARS

For inflation adjustment of certain items in this section, see Revenue Procedures listed in a table under section 1 of this title.

Editorial Notes

REFERENCES IN TEXT

Sections 1251, 1301, 1302, 1311, 1321, 1402, and 1412 of the Patient Protection and Affordable Care Act, referred to in text, are classified to sections 18011, 18021, 18022, 18031, 18041, 18071, and 18082, respectively, of Title 42, The Public Health and Welfare.

Section 1(c), referred to in subsecs. (b)(3)(B)(ii)(I)(aa) and (f)(2)(B)(i), to be treated, for purposes of the rate of tax, as a reference to the corresponding rate bracket under section 1(j)(2)(C) of this title, see section 1(j)(2)(F) of this title.

Sections 2701 and 2705(d) of the Public Health Service Act, referred to in subsec. (b)(3)(C), are classified to sections 300gg and 300gg-4(d), respectively, of Title 42, The Public Health and Welfare. The reference to section 2705(d) probably should be a reference to section

³ So in original. Probably should be “affordability”.

⁴ So in original. Probably should be followed by a period.

2705(l), which relates to wellness program demonstration project and is classified to section 300gg-4(l) of Title 42.

Section 1311(d)(2)(B)(ii)(I) of the Patient Protection and Affordable Care Act, referred to in subsec. (b)(3)(E), probably means section 1311(d)(2)(B)(ii) of Pub. L. 111-148, which is classified to section 18031(d)(2)(B)(ii) of Title 42, The Public Health and Welfare, and which does not contain subclauses.

The Social Security Act, referred to in subsec. (c)(1)(B)(ii), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XIX of the Act is classified generally to subchapter XIX (§1396 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

2022—Subsec. (b)(3)(A)(iii). Pub. L. 117-169, §12001(a), substituted “2021 through 2025” for “2021 and 2022” in heading and “after December 31, 2020, and before January 1, 2026” for “in 2021 or 2022” in introductory provisions.

Subsec. (c)(1)(E). Pub. L. 117-169, §12001(b), substituted “2021 through 2025” for “2021 and 2022” in heading and “after December 31, 2020, and before January 1, 2026” for “in 2021 or 2022” in text.

2021—Subsec. (b)(3)(A)(iii). Pub. L. 117-2, §9661(a), added cl. (iii).

Subsec. (c)(1)(E). Pub. L. 117-2, §9661(b), added subpar. (E).

Subsec. (f)(2)(B)(iii). Pub. L. 117-2, §9662(a), added cl. (iii).

Subsecs. (g), (h). Pub. L. 117-2, §9663(a), added subsec. (g) and redesignated former subsec. (g) as (h).

2017—Subsec. (f)(2)(B)(ii)(II). Pub. L. 115-97 substituted “for ‘calendar year 2016’ in subparagraph (A)(ii)” for “for ‘calendar year 1992’ in subparagraph (B)”.

2016—Subsec. (c)(4). Pub. L. 114-255 added par. (4).

2011—Subsec. (c)(2)(D). Pub. L. 112-10 struck out subpar. (D). Prior to amendment, text read as follows: “The term ‘coverage month’ shall not include any month in which such individual has a free choice voucher provided under section 10108 of the Patient Protection and Affordable Care Act.”

Subsec. (d)(2)(B)(iii). Pub. L. 112-56 added cl. (iii).

Subsec. (f)(2)(B)(i). Pub. L. 112-9 amended cl. (i) generally. Prior to amendment, cl. (i) consisted of text and a table limiting increase in amount recovered on reconciliation of health insurance tax credit and advance of that credit for households with income below 500 percent of Federal poverty line.

2010—Subsec. (b)(3)(A)(i). Pub. L. 111-152, §1001(a)(1)(A), substituted “for any taxable year shall be the percentage such that the applicable percentage for any taxpayer whose household income is within an income tier specified in the following table shall increase, on a sliding scale in a linear manner, from the initial premium percentage to the final premium percentage specified in such table for such income tier:” for “with respect to any taxpayer for any taxable year is equal to 2.8 percent, increased by the number of percentage points (not greater than 7) which bears the same ratio to 7 percentage points as—” in introductory provisions, inserted table, and struck out subcls. (I) and (II) which read as follows:

“(I) the taxpayer’s household income for the taxable year in excess of 100 percent of the poverty line for a family of the size involved, bears to

“(II) an amount equal to 200 percent of the poverty line for a family of the size involved.”

Subsec. (b)(3)(A)(ii). Pub. L. 111-152, §1001(a)(1)(B), added cl. (ii) and struck out former cl. (ii). Text read as follows: “If a taxpayer’s household income for the taxable year equals or exceeds 100 percent, but not more than 133 percent, of the poverty line for a family of the size involved, the taxpayer’s applicable percentage shall be 2 percent.”

Pub. L. 111-148, §10105(a), substituted “equals or exceeds” for “is in excess of”.

Subsec. (b)(3)(A)(iii). Pub. L. 111-152, §1001(a)(1)(B), struck out cl. (iii). Text read as follows: “In the case of taxable years beginning in any calendar year after 2014, the Secretary shall adjust the initial and final applicable percentages under clause (i), and the 2 percent under clause (ii), for the calendar year to reflect the excess of the rate of premium growth between the preceding calendar year and 2013 over the rate of income growth for such period.”

Subsec. (c)(1)(A). Pub. L. 111-148, §10105(b), inserted “equals or” before “exceeds”.

Subsec. (c)(2)(C)(i)(II). Pub. L. 111-152, §1001(a)(2)(A), substituted “9.5 percent” for “9.8 percent”.

Subsec. (c)(2)(C)(iv). Pub. L. 111-152, §1001(a)(2), substituted “9.5 percent” for “9.8 percent” and “(b)(3)(A)(ii)” for “(b)(3)(A)(iii)”.

Pub. L. 111-148, §10105(c), substituted “subsection (b)(3)(A)(iii)” for “subsection (b)(3)(A)(ii)”.

Subsec. (c)(2)(D). Pub. L. 111-148, §10108(h)(1), added subpar. (D).

Subsec. (d)(2)(A)(i), (ii). Pub. L. 111-152, §1004(a)(1)(A), substituted “modified adjusted gross” for “modified gross”.

Subsec. (d)(2)(B). Pub. L. 111-152, §1004(a)(2)(A), amended subpar. (B) generally. Prior to amendment, text read as follows: “The term ‘modified gross income’ means gross income—

“(i) decreased by the amount of any deduction allowable under paragraph (1), (3), (4), or (10) of section 62(a),

“(ii) increased by the amount of interest received or accrued during the taxable year which is exempt from tax imposed by this chapter, and

“(iii) determined without regard to sections 911, 931, and 933.”

Subsec. (f)(2)(B). Pub. L. 111-309, §208(a), amended generally subpar. heading and cl. (i). Prior to amendment, text of cl. (i) read as follows: “In the case of an applicable taxpayer whose household income is less than 400 percent of the poverty line for the size of the family involved for the taxable year, the amount of the increase under subparagraph (A) shall in no event exceed \$400 (\$250 in the case of a taxpayer whose tax is determined under section 1(c) for the taxable year).”

Subsec. (f)(2)(B)(ii). Pub. L. 111-309, §208(b), inserted “in the table contained” after “each of the dollar amounts” in introductory provisions.

Subsec. (f)(3). Pub. L. 111-152, §1004(c), added par. (3).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2022 AMENDMENT

Pub. L. 117-169, title I, §12001(c), Aug. 16, 2022, 136 Stat. 1906, provided that: “The amendments made by this section [amending this section] shall apply to taxable years beginning after December 31, 2022.”

EFFECTIVE DATE OF 2021 AMENDMENT

Pub. L. 117-2, title IX, §9661(c), Mar. 11, 2021, 135 Stat. 183, provided that: “The amendments made by this section [amending this section] shall apply to taxable years beginning after December 31, 2020.”

Pub. L. 117-2, title IX, §9662(b), Mar. 11, 2021, 135 Stat. 183, provided that: “The amendment made by this section [amending this section] shall apply to taxable years beginning after December 31, 2019.”

Pub. L. 117-2, title IX, §9663(b), Mar. 11, 2021, 135 Stat. 184, provided that: “The amendments made by this section [amending this section] shall apply to taxable years beginning after December 31, 2020.”

EFFECTIVE DATE OF 2017 AMENDMENT

Amendment by Pub. L. 115-97 applicable to taxable years beginning after Dec. 31, 2017, see section 11002(e) of Pub. L. 115-97, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 2016 AMENDMENT

Pub. L. 114-255, div. C, title XVIII, §18001(a)(7), Dec. 13, 2016, 130 Stat. 1343, provided that:

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendments made by this subsection [amending this section, sections 106, 49801, 6051, 6652, and 9831 of this title, and section 18081 of Title 42, The Public Health and Welfare] shall apply to years beginning after December 31, 2016.

“(B) TRANSITION RELIEF.—The relief under Treasury Notice 2015-17 shall be treated as applying to any plan year beginning on or before December 31, 2016.

“(C) COORDINATION WITH HEALTH INSURANCE PREMIUM CREDIT.—The amendments made by paragraph (3) [amending this section] shall apply to taxable years beginning after December 31, 2016.

“(D) EMPLOYEE NOTICE.—

“(i) IN GENERAL.—The amendments made by paragraph (5) [amending section 6652 of this title] shall apply to notices with respect to years beginning after December 31, 2016.

“(ii) TRANSITION RELIEF.—For purposes of section 6652(o) of the Internal Revenue Code of 1986 (as added by this Act), a person shall not be treated as failing to provide a written notice as required by section 9831(d)(4) of such Code if such notice is so provided not later than 90 days after the date of the enactment of this Act [Dec. 13, 2016].

“(E) W-2 REPORTING.—The amendments made by paragraph (6)(A) [amending section 6051 of this title] shall apply to calendar years beginning after December 31, 2016.

“(F) INFORMATION PROVIDED BY EXCHANGE SUBSIDY APPLICANTS.—

“(i) IN GENERAL.—The amendments made by paragraph (6)(B) [amending section 18081 of Title 42] shall apply to applications for enrollment made after December 31, 2016.

“(ii) VERIFICATION.—Verification under section 1411 of the Patient Protection and Affordable Care Act [42 U.S.C. 18081] of information provided under section 1411(b)(3)(B) of such Act shall apply with respect to months beginning after October 2016.

“(iii) TRANSITIONAL RELIEF.—In the case of an application for enrollment under section 1411(b) of the Patient Protection and Affordable Care Act [42 U.S.C. 18081(b)] made before April 1, 2017, the requirement of section 1411(b)(3)(B) of such Act shall be treated as met if the information described therein is provided not later than 30 days after the date on which the applicant receives the notice described in section 9831(d)(4) of the Internal Revenue Code of 1986.”

EFFECTIVE DATE OF 2011 AMENDMENT

Pub. L. 112-56, title IV, § 401(b), Nov. 21, 2011, 125 Stat. 734, provided that: “The amendments made by this section [amending this section] shall take effect on the date of the enactment of this Act [Nov. 21, 2011].”

Pub. L. 112-10, div. B, title VIII, § 1858(d), Apr. 15, 2011, 125 Stat. 169, provided that: “The amendments made by this section [amending this section, sections 162, 4980H, and 6056 of this title, and section 218b of Title 29, Labor, and repealing section 139D of this title and section 18101 of Title 42, The Public Health and Welfare] shall take effect as if included in the provisions of, and the amendments made by, the provisions of the Patient Protection and Affordable Care Act [Pub. L. 111-148] to which they relate.”

Pub. L. 112-9, § 4(b), Apr. 14, 2011, 125 Stat. 37, provided that: “The amendment made by this section [amending this section] shall apply to taxable years ending after December 31, 2013.”

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111-309, title II, § 208(c), Dec. 15, 2010, 124 Stat. 3292, provided that: “The amendments made by this section [amending this section] shall apply to taxable years beginning after December 31, 2013.”

Pub. L. 111-148, title X, § 10108(h)(2), Mar. 23, 2010, 124 Stat. 914, provided that: “The amendment made by this subsection [amending this section] shall apply to taxable years beginning after December 31, 2013.”

EFFECTIVE DATE

Pub. L. 111-148, title I, § 1401(e), Mar. 23, 2010, 124 Stat. 220, provided that: “The amendments made by this section [enacting this section and amending sections 280C and 6211 of this title and section 1324 of Title 31, Money and Finance] shall apply to taxable years ending after December 31, 2013.”

SUBSTANTIATION REQUIREMENTS

Pub. L. 114-255, div. C, title XVIII, § 18001(a)(8), Dec. 13, 2016, 130 Stat. 1343, provided that: “The Secretary of the Treasury (or his designee) may issue substantiation requirements as necessary to carry out this subsection [amending this section, sections 106, 49801, 6051, 6652, and 9831 of this title, and section 18081 of Title 42, The Public Health and Welfare, and enacting provisions set out as a note under this section].”

NO IMPACT ON SOCIAL SECURITY TRUST FUNDS

Pub. L. 112-56, title IV, § 401(c), Nov. 21, 2011, 125 Stat. 734, provided that:

“(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury, or the Secretary’s delegate, shall annually estimate the impact that the amendments made by subsection (a) [amending this section] have on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

“(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury or the Secretary’s delegate estimates that such amendments have a negative impact on the income and balances of such trust funds, the Secretary shall transfer, not less frequently than quarterly, from the general fund an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of such amendments.”

[§ 36C. Renumbered § 23]

§ 37. Overpayments of tax

For credit against the tax imposed by this subtitle for overpayments of tax, see section 6401.

(Aug. 16, 1954, ch. 736, 68A Stat. 16, § 38; renumbered § 39, Pub. L. 87-834, § 2(a), Oct. 16, 1962, 76 Stat. 962; renumbered § 40, Pub. L. 89-44, title VIII, § 809(c), June 21, 1965, 79 Stat. 167; renumbered § 42, Pub. L. 92-178, title VI, § 601(a), Dec. 10, 1971, 85 Stat. 553; renumbered § 43, Pub. L. 94-12, title II, § 203(a), Mar. 29, 1975, 89 Stat. 29; renumbered § 44, Pub. L. 94-12, title II, § 204(a), Mar. 29, 1975, 89 Stat. 30; renumbered § 45, Pub. L. 94-12, title II, § 208(a), Mar. 29, 1975, 89 Stat. 32; renumbered § 35, Pub. L. 98-369, div. A, title IV, § 471(c), July 18, 1984, 98 Stat. 826; renumbered § 36, Pub. L. 107-210, div. A, title II, § 201(a), Aug. 6, 2002, 116 Stat. 954; renumbered § 37, Pub. L. 110-289, div. C, title I, § 3011(a), July 30, 2008, 122 Stat. 2888.)

Editorial Notes

PRIOR PROVISIONS

A prior section 37 was renumbered section 22 of this title.

SUBPART D—BUSINESS RELATED CREDITS

- Sec. 38. General business credit.
- 39. Carryback and carryforward of unused credits.
- 40. Alcohol, etc., used as fuel.
- 40A. Biodiesel and renewable diesel used as fuel.
- 40B. Sustainable aviation fuel credit.
- 41. Credit for increasing research activities.