

## Department of Consumer and Business Services Oregon Health Insurance Marketplace

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June 18, 2018

## Sample of SHOP Approval Letter for Small Business Tax Credit

(This letter works as the government pass/payment coupon for IRS tax refund)

Re: Marketplace Small Employer Program Eligibility Notice

Dear Julium Jhou:

We have reviewed your policy information for plan year 2018 and determined that your small business would be eligible to participate in the employer program with the Marketplace.

If you wish to apply for the IRS Small Business Tax Credit, you will need to provide this notice with your tax documentation to your tax professional. This notice provides confirmation that you have purchased the following Marketplace certified employer program plans:

Insurance company	Plan name	Plan ID
Kaiser Permanente	KP OR Bronze 6600/40	71287OR0570007-01
Kaiser Permanente	KP OR Platinum 0/20	71287OR0430001-01
Kaiser Permanente	KP OR Choice 80 Pediatric Dental Plan	71287OR0600002-01

The Marketplace does not determine eligibility for the IRS Small Business Tax Credit. You can find more information about tax credit options by contacting a tax professional or by visiting irs.gov.

If you have any questions, please send them via e-mail to marketplace@oregon.gov.

Sincerely,

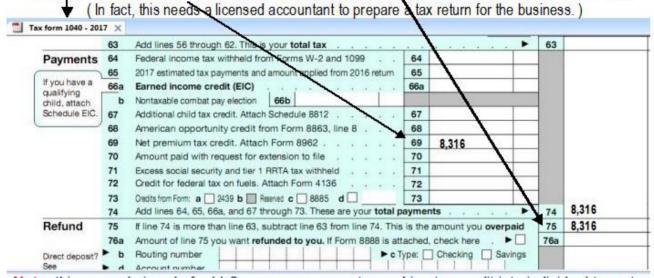
Amy Coven

Marketplace Small Employer Program

## How to use SHOP tax credit to get tax refund

( How to get your money back that was paid for health insurance )

Example Case: a family owned business (LLC) paid \$1,386 a month for health insurance in 2017 and was eligible 50% SHOP tax credit, which total tax credit \$1,386\*50%\*12 months = \$8,316. On 2017 tax return 1040, Line #69, fill \$8316, so Line #75 refund will be \$8,316.



Note, this example is only for LLC, s-corp company to combine tax credit into individual tax return.

## Small Goup Health Insurance-SHOP to Audit

- 1.) Business information (your accountant can help)
- State Registration, Tax ID, Owners/Officers name;
- Contact information: name, phone, address, etc.
- Tax Form 941, One month payroll report (names);
- List of each owner and employee work hours/week.
- 2.) Owners/Officers Family Data ("Fact Find" form)
- 3.) Employees Hours & Wages ("Fact Find" form)

(Forms, #1 Owner to fill, #2 & #3 only for applicants)