

Are You Leaving Money on the Table?

Take action before tax day to get money back on your 2020 health insurance premiums.

If you had Vermont Health Connect in 2020, you might qualify for a tax credit.

The premium tax credit (PTC) helps lower Vermont Health Connect premiums. To get a tax credit, your 2020 income must be under the limit.

Get your 2020 income under the limit now by saving for retirement or future health costs.

	2020 Annual Income Limit	Premium Tax Credit
Individual	\$49,960	\$3,054
Couple	\$67,640	\$9,265
Family of four	\$103,000	\$12,239

How can I get under the income limit for 2020 to get a tax credit?

- Contribute to a traditional individual retirement account (IRA) for the 2020 tax year.
- Contribute to a Health Savings Account (HSA) for the 2020 tax year.
- You can contribute to accounts for the 2020 tax year until the April 15, 2021 tax filing deadline.
- You must have 2020 Vermont Health Connect insurance to qualify for a 2020 tax credit.
- If you got your tax credit in advance (called APTC), you will not qualify for more credit.

Example: Jess and Pat made \$70,000 together in 2020. To get under the income limit, Jess and Pat put \$2,500 in a traditional IRA for the 2020 tax year. Now, they get two benefits: money in retirement savings AND a big (\$9,000) tax credit.

Example: Ali was under the income limit for most of 2020. He got \$120 in APTC every month. His income went up unexpectedly near the end of the year, and he ended up over the limit. The IRS will make him pay back his APTC unless he gets under the income limit before he files his taxes. If he gets under the limit, he won't have to pay money back AND he will have money in savings.

Get personal advice before you act!

Call the Office of the Health Care Advocate at 1-800-917-7787. We can answer questions about the Premium Tax Credit, health insurance, or health care access. We are not tax preparers and cannot give advice on most other tax questions.

This is general information only. The IRS has detailed rules and limits for IRA, 401(k), and HSA contributions. Talk to a tax professional to make sure you understand your options.

