

STATE OF NEW YORK

2681

2025-2026 Regular Sessions

IN ASSEMBLY

January 22, 2025

Introduced by M. of A. BORES -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to requiring persons maintain minimum essential coverage

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "health
2 PACT (personal accountability for care and treatment) act".

3 § 2. The tax law is amended by adding a new article 33-C to read as
4 follows:

ARTICLE 33-C

SHARED RESPONSIBILITY TAX

Section 1580. Shared responsibility tax.

8 § 1580. Shared responsibility tax. 1. Definitions. For the purposes of
9 this section, the following terms shall have the following meanings:

10 (a) "Applicable individual" shall have the same meaning as defined in
11 section 5000A(d) of the Internal Revenue Service Code of 1986.

12 (b) "Minimum essential coverage" shall have the same meaning as
13 defined in section 5000A(f) of the Internal Revenue Service Code of
14 1986.

15 2. Requirement to maintain minimum essential coverage. Every applica-
16 ble individual shall maintain minimum essential coverage for each month
17 beginning after December thirty-first, two thousand twenty-four.

18 3. Shared responsibility payment penalty imposed for failing to main-
19 tain minimum essential coverage. As of January first, two thousand twen-
20 ty-six, every applicable individual required to file a personal income
21 tax return pursuant to section six hundred one of this chapter, shall
22 indicate on the return, in a manner to be prescribed by the commission-
23 er, whether and for what period of time during the relevant tax year the
24 individual and such individual's spouse and dependents who are applica-
25 ble individuals were covered by minimum essential coverage. If a return

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 submitted pursuant to this subdivision fails to indicate that coverage
2 was in force or indicates that any applicable individuals did not have
3 coverage in force, a shared responsibility payment penalty shall hereby
4 be assessed as a tax on the return.

5 4. Shared responsibility payment penalty calculation. Except as
6 provided in subdivision five of this section, the shared responsibility
7 payment penalty imposed in any taxable year shall be equal to a taxpay-
8 er's federal shared responsibility payment for the taxable year of two
9 thousand fifteen under section 5000A of the Internal Revenue Code of
10 1986.

11 5. Exceptions. (a) Penalty cap. The amount of the shared responsibil-
12 ity payment penalty imposed under this section shall be determined, if
13 applicable, using the statewide average premium for bronze-level plans
14 offered through the NY State of Health health benefits exchange.

15 (b) Hardship exemption determinations. Determinations as to hardship
16 exemptions pursuant to section two hundred sixty-eight-e of the public
17 health law.

18 (c) Religious conscience exemption determinations. Determinations as
19 to religious conscience exemptions pursuant to section two hundred
20 sixty-eight-e of the public health law.

21 (d) Taxpayers with gross income below state filing threshold. No
22 penalty shall be imposed under this section with respect to any applica-
23 ble individual for any month during a calendar year if the taxpayer's
24 household income for the taxable year in accordance with the provisions
25 of the patient protection and affordable care act is less than the
26 amount of gross income requiring the taxpayer to file a return pursuant
27 to section six hundred one of this chapter.

28 (e) Out-of-state residents. No penalty shall be imposed by this
29 section with respect to any applicable individual for any month during
30 which the individual is a bona fide resident of another state.

31 6. Account fund. The commissioner is authorized to withhold from any
32 state tax refund due to the taxpayer an amount equal to the calculated
33 shared responsibility payment penalty and shall place such amounts in
34 the account of the NY State of Health fund established pursuant to
35 section two hundred sixty-eight-g of the public health law.

36 7. Deficiency. If, upon examination of a taxpayer's return, the
37 commissioner determines there is a deficiency because any refund due to
38 the taxpayer is insufficient to satisfy the shared responsibility penal-
39 ty or because there was no refund due, the tax administrator may notify
40 the taxpayer of the deficiency and interest shall accrue on the defi-
41 ciency. All monies collected on the deficiency shall be placed in the
42 account of the NY State of Health fund established pursuant to section
43 two hundred sixty-eight-g of the public health law.

44 8. Application of federal law. The shared responsibility payment
45 penalty shall be assessed and collected as set forth in this chapter
46 and, to the extent applicable, consistent with regulations promulgated
47 by the federal government, the exchange, and/or the tax administrator.
48 Except as otherwise provided in this section, all references to federal
49 law shall be construed as references to federal law as in effect on
50 December fifteenth, two thousand seventeen, including applicable regu-
51 lations and administrative guidance that were in effect as of that date.

52 9. Unavailability of federal premium tax credits. For any taxable year
53 in which federal premium tax credits available pursuant to section thir-
54 ty-six-b of title twenty-six of the United States code become unavail-
55 able due to the federal government repealing that section or failing to

1 fund the premium tax credits, the shared responsibility payment penalty
2 under this section shall not be enforced.

3 10. Imposition of federal shared responsibility payment. For any taxa-
4 ble year in which a federal penalty under section 5000A of the Internal
5 Revenue Code of 1986 is imposed on a taxpayer in an amount comparable to
6 the shared responsibility payment penalty assessed under this section,
7 the state penalty shall not be enforced.

8 11. Agency coordination. Where applicable, the commissioner shall
9 implement this section in consultation with the commissioner of health.

10 § 3. This act shall take effect January 1, 2026. Effective immediate-
11 ly, the addition, amendment and/or repeal of any rule or regulation
12 necessary for the implementation of this act on its effective date are
13 authorized to be made and completed on or before such effective date.