

## Cost of Health Reform on Staffing Companies - Worksheet

	Company Size (Number of temporary employees)				Your Company
Total # of temporary employees	250	500	1,000	10,000	INSERT # HERE
# of temporary employees working 30 hours/week for one month or longer (80% est.)	200	400	800	8,000	#VALUE!
Minus first 30 employees free (not taxed)	30	30	30	30	30
# of Taxed Employees	170	370	770	7,970	#VALUE!
Annual Cost of \$2,000 excise tax per employee	\$ 340,000	\$ 740,000	\$ 1,540,000	\$ 15,940,000	#VALUE!
<b>Effective Annual Cost of excise tax (since it is NOT deductible)*</b>	<b>\$ 485,714</b>	<b>\$ 1,057,143</b>	<b>\$ 2,200,000</b>	<b>\$ 22,771,429</b>	<b>#VALUE!</b>
<b>Spreading the cost into ALL employees</b>					
<b>Effective Hourly Cost (on ALL employees)***</b>	\$ 1.09	\$ 1.19	\$ 1.24	\$ 1.28	#VALUE!
<b>Hourly cost per TAXED employee</b>					
<b>Effective Hourly Cost (per Taxed Employee)</b>	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61	\$ 1.61

\*Excise tax is not tax deductible. Assuming 30% company tax rate, this means you'd have to earn \$2,857 in revenue to pay for each \$2,000 fine.

\*\* Assumes 1778 hours worked per year: United States 2010 average.  
Source: <http://stats.oecd.org/Index.aspx?DataSetCode=ANHRS>

\*\*\*Smaller companies have lower cost because "30 free" affects them more

Company Tax Rate:	30%
Excise Tax:	\$2,000
Effective Cost:	\$2,857
# Hours / Year	1778

<== Enter Your Company Tax Rate

*If you have the PDF version, email [AARONLESHER@IAGBENEFITS.COM](mailto:AARONLESHER@IAGBENEFITS.COM) to request Excel version with formulas you can use to calculate your company costs.*