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Contact: Susan Williams at (865) 524-0270 [susan@srw-associates.com](mailto:susan@srw-associates.com)

## Knoxville Business Leaders Urge Congress to Delay the Health Insurance Tax

Knoxville, TN (August 30, 2017) – Local business leaders met Wednesday at the Knoxville Chamber to discuss how the health insurance tax, or HIT, will impact Tennessee small businesses in 2018 if it is not delayed immediately by Congress. Business leaders called on the state’s senators and representatives in Congress to lower premiums and provide financial relief to the state by ensuring that the HIT does not go into effect in 2018.

“Time is of the essence to delay this tax again,” said Terry Turner, President of the Knoxville Chamber and small business owner of All Occasions Party Rental. “We are all making insurance decisions in the next few weeks for next year and we need certainty from the federal government.”

The discussion occurred one week ahead of hearings scheduled by Tennessee’s Senator Lamar Alexander on the U.S. Senate Committee on Health, Education, Labor, & Pensions, which is considering bipartisan measures to stabilize premiums in the state insurance marketplaces. In 2015, Senator Alexander and Senator Bob Corker joined a bipartisan group of more than 400 members of Congress to pass legislation to delay the HIT, providing a one-year reprieve from the tax in 2017 to consumers. However, the HIT is set to go into effect at the start of 2018.

State Representative Eddie Smith (R-Knoxville), who participated in the roundtable, expressed concern over the costs to the State of Tennessee in both the financial impact and the jobs lost if the HIT is imposed. “When you consider that the State has \$61 million allocated to pay this tax, if delayed that would allow us to lower the grocery tax by another one-half percent.”

Without action by Congress to again delay the tax, small businesses and working families who receive their health care coverage through their employer will face a major tax hike — \$14.3 billion — when the HIT returns in 2018. Attendees at the roundtable emphasized the need for Congress to provide certainty and continuity to Tennessee businesses by keeping the current suspension of the tax in place, particularly as consumers are now renewing their health care policies for next year.

“The Health Insurance Tax will create uncertainty and confusion in the construction industry, making it difficult for our Tennessee contractors to plan for the future and create jobs. In turn that would create less jobs, less projects, less investments, and less improvement throughout our state,” said Clay Crownover, Regional Director for the Associated Builders and Contractors of Greater Tennessee.

Tennessee is home to more than 580,000 small businesses, which employ more than 1.1 million private sector workers. A recent study by Oliver Wyman shows that families in the small employer market could be faced with \$500 on average in higher premiums in 2018 as a result of the HIT.

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*The Stop the HIT Coalition represents the nation's small business owners, their employees and the self-employed who are actively working to repeal the Health Insurance Tax. Since the Coalition's formation in 2011, it has grown to include more than 35 national organizations, representing millions of small business owners across the country. For more information, please visit [www.StopTheHIT.com](http://www.StopTheHIT.com).*