



TaxNewsFlash

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Notice 2020-84: Self-insured health insurance annual fee

The IRS today released an advance version of Notice 2020-84 announcing that the adjusted applicable dollar amount that applies for determining the Patient-Centered Outcomes Research Trust Fund (PCORTF) fee for policy years and plan years ending on or after October 1, 2020, and before October 1, 2021, is equal to \$2.66.

Read [Notice 2020-84](#) [PDF 108 KB]

- Section 4375 imposes a fee on the issuer of a specified health insurance policy for each policy year ending after September 30, 2012, and before October 1, 2029.
- Section 4376 imposes a fee on the plan sponsor of an applicable self-insured health plan for each plan year ending after September 30, 2012, and before October 1, 2029.

The fee originally expired on October 1, 2019, but was extended by the Further Consolidated Appropriations Act, 2020.

The fee imposed by sections 4375 and 4376 is calculated using the average number of lives covered under the policy or plan and the applicable dollar amount for that policy year or plan year, and is \$2 for policy and plan years ending on or after October 1, 2013, and before October 1, 2014. Notice 2020-44 (June 2020) provided that the adjusted applicable dollar amount for policy years and plan years that end on or after October 1, 2019, and before October 1, 2020, was \$2.54.

Today's notice reflects an increased applicable dollar amount of \$2.66 to calculate the fee for policy years and plan years that end on or after October 1, 2020, and before October 1, 2021.

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