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U.S. Supreme Court: Implications for protective refund claims for ACA-related taxes and fees

The U.S. Supreme Court today (in a 7-2 decision) rejected claims that the Affordable Care Act (ACA) minimum essential coverage provision under section 5000A(a) was unconstitutional, finding that the plaintiffs in the case lacked standing.

The case is: *California v. Texas*, No. 19-840 (S. Ct. June 17, 2021). Read the Court's [opinion](#) [PDF 295 KB] that includes concurring and dissenting opinions.

KPMG observation

Tax professionals were watching for the decision in *California v. Texas* because of potential implications for various tax and fee provisions associated with the ACA, including the "Net Investment Income Tax" (NIIT)—a provision added as a means of funding the ACA (along with other taxes and fees) by the "Health Care and Education Reconciliation Act of 2010" (HCERA).

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