

## Congratulations America! It's a brand new tax!

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You and I got hit by a bus today! ...June 28, 2012...The long awaited Supreme Court decision on the constitutionality of the Affordable Care Act has determined that the individual mandate is an unconstitutional penalty under the Commerce Clause, *but upheld it as a tax!* 

What we now have is a precedent which allows the federal government to tax individual citizens for not purchasing health insurance. And as a tax, it will be enforced by the Internal Revenue Service. In the future, the federal government will be able to force everyone to purchase solar panels... or pay a fine. The federal government can force you to buy an electric automobile...or pay a fine. Cap and trade could be implemented, and everyone would be forced to pay a tax on their carbon dioxide emissions. There is no limit to what the federal government can tax with the decision that the Supreme Court rendered today. In a surprising turn of events, Chief Justice John Roberts ruled on the side of the Administration, joining Justices Ginsberg, Breyer, Kagan and Sotomayor. The dissent unequivocally asserted that the entire health care law is unconstitutional.

The full force of the Affordable Care Act will not be felt until after the November 2012 elections. Many citizens fail to understand how the law will personally affect them and their families. From a previous article in Big Government "Obamacare: We have to pass the bill to so you can find out what is in it",

The individual mandate takes effect in 2014. Failure to comply will result in a fine equal to 1% of income. Penalties increase to 2% in 2015, and 2.5% in 2016. The IRS will be able to withhold any tax refunds to pay these fines if you have not provided proof of acceptable insurance.

In that article there is an analysis by Michael D. Tanner of the Cato Institute, in which he breaks down the details of the Affordable Care Act with an easy to understand explanation. The analysis, entitled "Bad Medicine" can be accessed here. Tanner states that "the combination of taxes and subsidies in this law results in a substantial redistribution of income" and "it is a tax and regulatory nightmare." He also states "More than 2/3 of companies could be forced to change their current coverage."

In the next two years, many companies will choose to pay the fine (which is substantially lower that the amount they pay towards premiums) instead of paying all or a portion of their employee's health care premiums. By 2014, tens of millions of working Americans will be responsible for their own health insurance coverage and premiums and will be forced to enroll in health care exchanges. The federal government will in effect have taken over what is approximately seventeen percent of American industry. Over fourteen hundred companies have been granted waivers from the Affordable Care Act, along with members of Congress and federal workers.

In September of 2009, on ABC News: This Week with George Stephanopoulos, President Obama denied Stephanopoulos's assertion that the mandate is a tax, by laughing and emphatically asserting, "My critics say it is a tax... My critics also say I am taking over every sector of the economy...I absolutely reject that notion" (that it's a tax).

Guess what Mr. President? The Supreme Court says that it is a tax! But you knew that, didn't you?