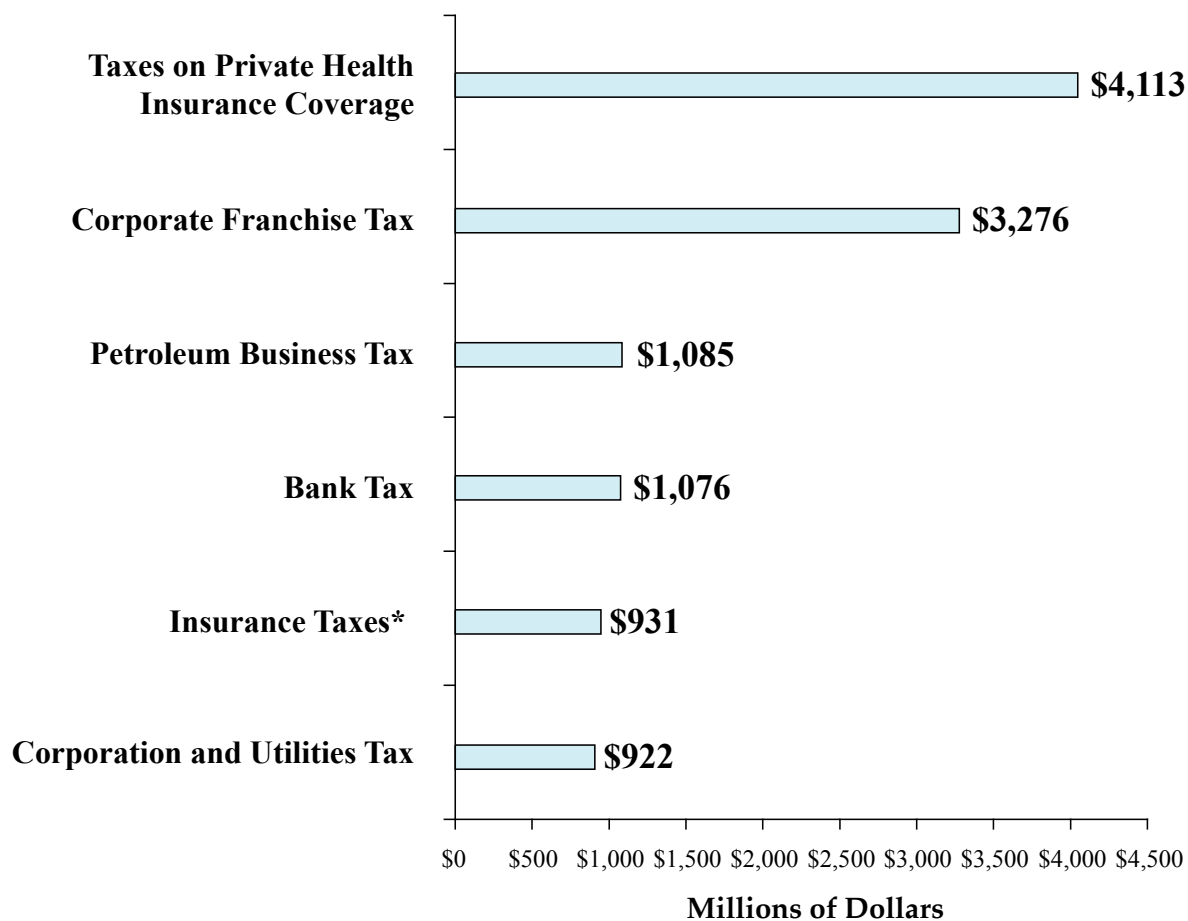




The Facts About... Taxes on New York's Privately Insured

New Yorkers who voluntarily purchase private health insurance coverage pay approximately \$4.11 billion in state health taxes. Because employers pay for most New Yorkers' health benefits, the various private insurance surcharges are viewed as a business tax. Compared to other state business levies, private health coverage taxes would rank as the largest business tax.

Taxes on New Yorkers with Private Health Coverage Compared to New York State Business Taxes, 2010-2011



Source: Data on New York State business taxes supplied by the 2010-2011 Executive Budget Five-Year Financial Plan. Private Health Insurance Coverage tax figure is based on information provided by the State departments of Health and Insurance.

* Insurance Taxes figure does not include an estimated \$353 million collected through a 1.75% premium tax on commercial health insurers.



The Facts About...

Taxes on New York's Privately Insured

Taxes on New Yorkers With Private Health Coverage 2010-2011	
Tax	Total (In Millions)
Personal Income Tax	\$ 37,143
Sales and Use Tax	\$ 11,066
Taxes on Private Health Insurance Coverage	\$ 4,113
Corporation Franchise Tax	\$ 3,276
Cigarette and Tobacco Taxes	\$ 1,526
Motor Vehicle Fees	\$ 1,176
Bank Tax	\$ 1,076
Petroleum Business Tax	\$ 1,085
Insurance Taxes*	\$ 931
Estate Tax	\$ 901
Corporation and Utilities Tax	\$ 922
Motor Fuel Tax	\$ 503
Real Estate Transfer Tax	\$ 492
Alcoholic Beverage Taxes	\$ 297
Highway use Tax	\$ 134
Alcoholic Beverage Control License Fees	\$ 139
Auto Rental Tax	\$ 95
Pari-mutuel Taxes	\$ 20
Other Taxes	\$ 3
Real Property Gains Tax	\$ 0

Source: *Data on New York State business taxes supplied by the 2010-2011 Executive Budget Five-Year Financial Plan. Private Health Insurance Coverage tax figure is based on information provided by the State departments of Health and Insurance.*

** Insurance Taxes figure does not include an estimated \$353 million collected through a 1.75% premium tax on commercial health insurers.*



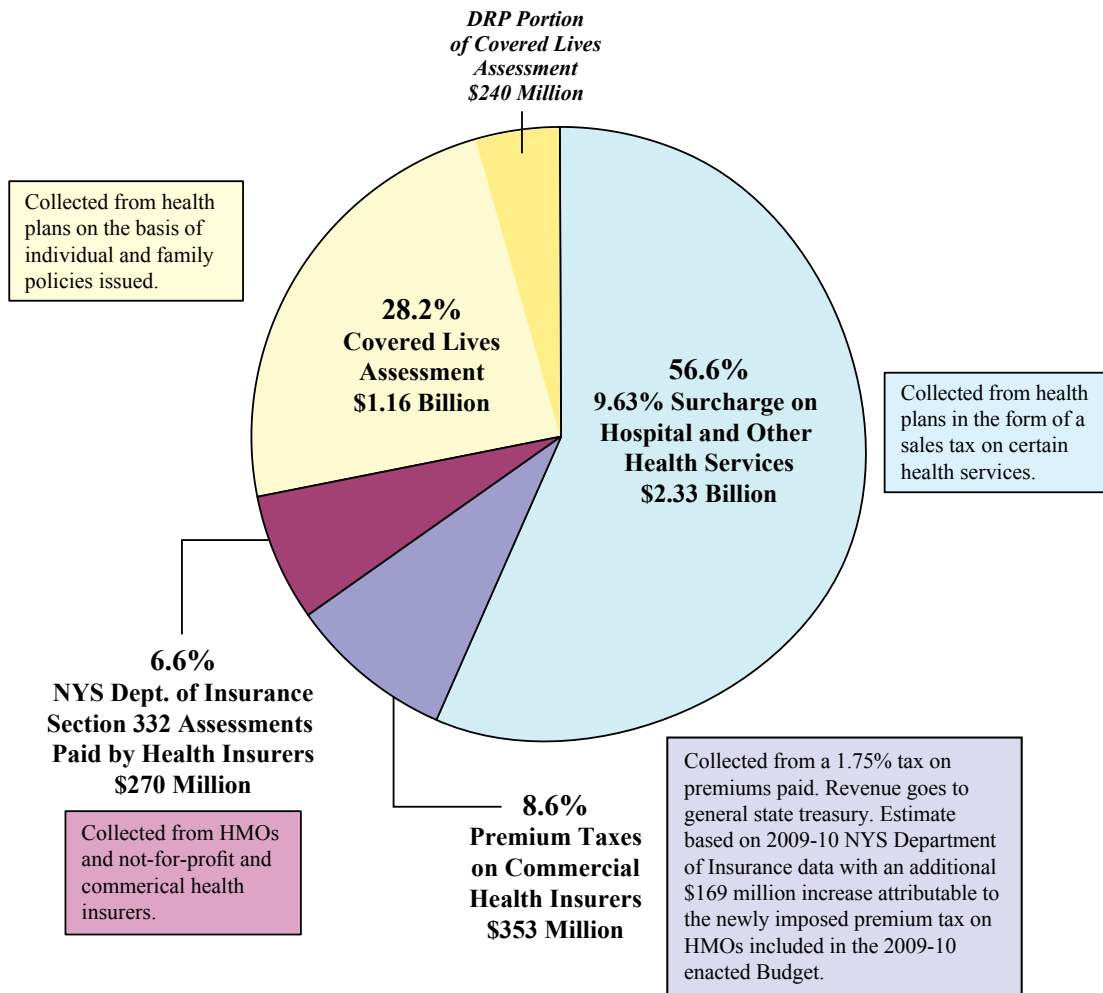
The Facts About...

Taxes on New York's Privately Insured

In the State Fiscal Year (SFY) 2007-08 budget, the Executive and Legislature agreed to increase the covered lives assessment by \$75 million from \$775 million to \$850 million. In 2008, another \$70 million increase was approved, bringing the total CLA to \$920 million. The Deficit Reduction Plan (DRP), passed in February 2009, increased the CLA by \$240 million, from \$920 million to \$1.16 billion.

Likewise, the DRP increased Section 332 assessments on all domestic insurers by \$180.6 million. What this means for health insurers is that an added assessment of approximately \$108 million will be retroactively levied in 2009-10 for 2008-09. This increase was also carried forward in the 2009-10 Budget, which resulted in an additional \$108 million assessment for the 2009-10 Budget year. With just the 2009-10 Budget increase of \$108 million, current assessments collected amount to \$270 million.

Taxes on New York's Privately Insured, 2010-2011



Source: New York State Departments of Health and Insurance, Division of the Budget and the 2010-11 Executive Budget.