Marketplace Health Insurance Deduction on Idaho Return

For taxpayers that purchase their health insurance through the marketplace, there is a potential for reducing tax on the Idaho state return. Health insurance premiums that are not pre-tax or used as an itemized deduction on the Idaho tax return can be subtracted from Idaho income on form Idaho 39R.

Net out of pocket market place health insurance cost is calculated from Form 8962 as follows:

Form 8962 Example

Annual Calculation		(a) Annual enrollment premiums (Form(s) 1095-A, line 33A)	(b) Annual applicable SLCSP premium (Form(s) 1095-A, line 33B)	(c) Annual contribution amount (line 8a)	(d) Annual maximum premium assistance (subtract (c) from (b), if zero or less, enter -0-)	(e) Annual premium credit allowed (smaller of (a) or (d		(f) Annual advance payment of PTC (Form(s) 1095-A, line 33C)
11	Annual Totals	3289	3289	3128	161	16	51	2520
Monthly Calculation		(a) Monthly enrollment premiums (Form(s) 1095-A, lines 21–32, column A)	(b) Monthly applicable SLCSP premium (Form(s) 1095-A, lines 21–32, column B)	(c) Monthly contribution amount (amount from line 8b or alternative marriage monthly calculation)	(d) Monthly maximum premium assistance (subtract (c) from (b), if zero or less, enter -0-)	(e) Monthly premium credit allowed (smaller of (a) or (d		(f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21–32, column C)
12	January							
13	February							
14	March							
15	April							
16	May							
17	June							
18	July							
19	August							
20	September							
21	October							
22	November							
23	December						24	1.01
24		otal premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here						
25	Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here						25	2520
26	Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If line 24 equals line 25, enter -0 Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27						26	
Part III Repayment of Excess Advance Payment of the Premium Tax Credit								
27	Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here						27	
28	Repayment	Repayment limitation (see instructions)						1500
29	Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44						29	1500

1. Subtract advanced premium tax credit (Form 8962 line 11 column f) from the premium amount (Form 8962 column A). Column totals of 12-23 may have to be used instead of line 11 totals.

2. If the taxpayer has to pay back some of the advanced PTC (Form 8962 line 29), add this to the total cost of health insurance that was calculated in step 1.

3. If the taxpayer has additional PTC due (Form 8962 line 26) subtract this from the total cost of health insurance that was calculated in step 1.

4. Enter the net out-of-pocket cost of the health insurance paid into TaxSlayer as an itemized deduction.

TaxSlayer will carry the health insurance (not used as an itemized deduction portion) to Idaho Form 39R