



Marketplace Premium Tax Credit (APTC) Advisement

This notice is for informational purposes only and is intended to help Marketplace (FFM) enrollees understand how Advance Premium Tax Credits (APTC) work. Eligibility for and reconciliation of APTC is determined by the Health Insurance Marketplace and the Internal Revenue Service (IRS).

Why This Matters

Your monthly premium savings is based on the household income you report on your Marketplace application. If your actual annual household income is higher than your estimate, you may be required to repay some or all of the advance premium tax credit when you file your federal income tax return.

Your Options

You may review and update your Marketplace application at any time during the year. You may also choose to reduce or decline advance payment of the premium tax credit.

Recommended Actions

- 1 Review your current household income estimate
- 2 Update your Marketplace application if your income changes
- 3 Consider reducing your monthly tax credit if your income is uncertain or fluctuates
- 4 Contact our office if you would like assistance submitting updates

Important: Potential Repayment Obligation

If your final annual household income exceeds Marketplace eligibility thresholds, you may be required to repay some or all advance premium tax credit received for the year. This is sometimes referred to as the "repayment cliff." Even relatively small increases in income may significantly affect your final tax reconciliation.

Income to Include in Your Estimate

- 1 Wages and self-employment income
- 2 Unemployment compensation
- 3 Social Security benefits

4 Interest, dividends, and retirement withdrawals

5 Any other taxable income required to be reported on your federal tax return

If your income fluctuates, you may wish to estimate conservatively or elect a reduced advance tax credit.

Important Disclaimer

Laughlin Insurance, Inc. and its agents do not provide tax or legal advice. This information is general in nature and should not be relied upon as tax guidance. You are responsible for the accuracy of the information reported to the Marketplace and for any tax liability that may result. We recommend consulting a qualified tax professional regarding your specific situation.

Need Assistance?

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