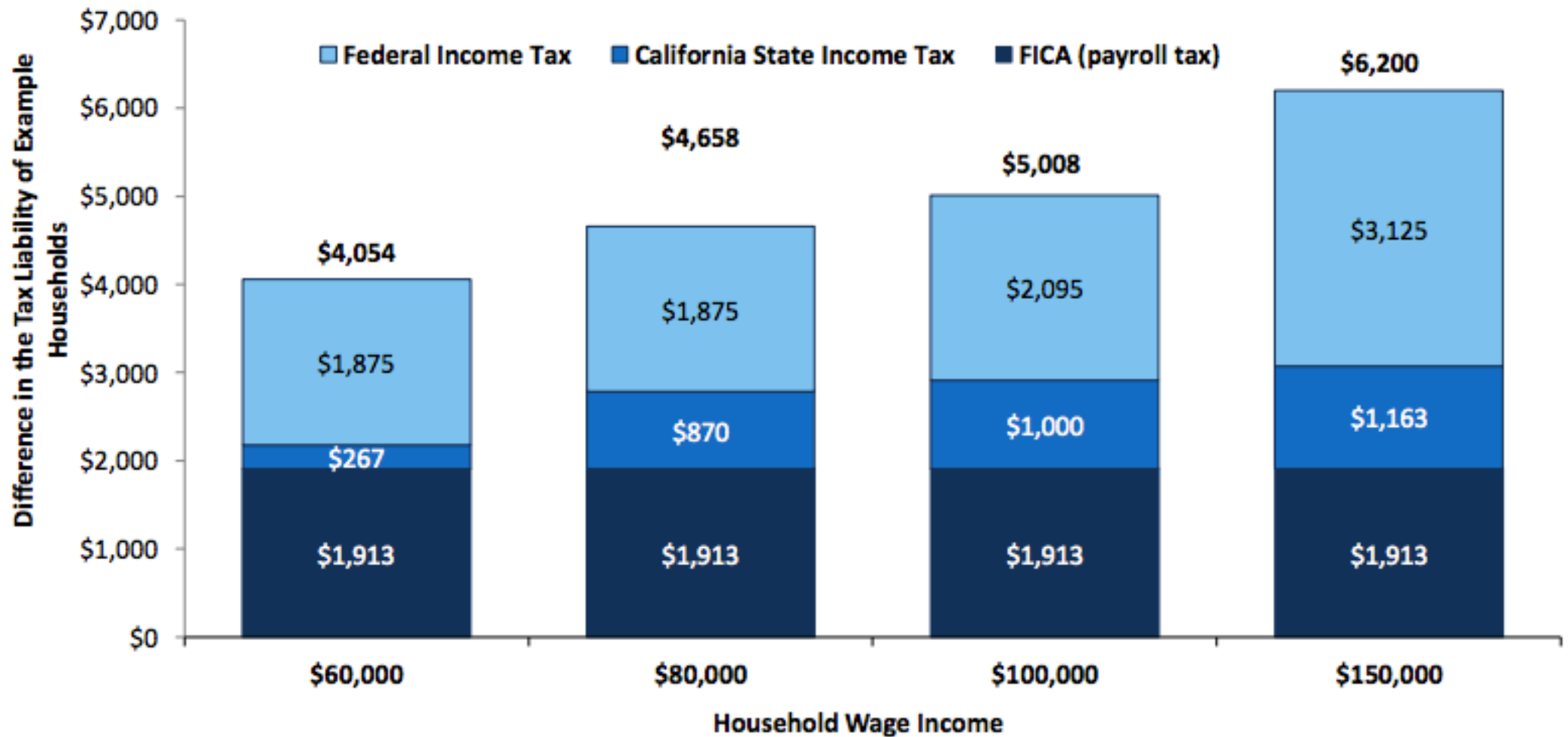


# Figure 1: Difference in the Tax Burden Faced by Households Whose Compensation includes Health Insurance and those Who only Receive Wage Income, By Household Income



**Note:** The figure compares the tax burden of households who receive \$10,000 of their compensation in the form of an employer health insurance contribution and pay the remaining \$2,500 of the premium through a section 125 plan (total policy value: \$12,500) to households who receive all of their compensation as wages. We assume each household has wages split between two working spouses and two dependents. Calculations are based on 2012 state and federal income tax rates, and the 2013 FICA rates (6.2% employee and 6.2% employer contributions).

**Source:** Kaiser Family Foundation's Analysis of the National Bureau of Economic Research's "Internet TAXSIM, Version 9".