

**Publications**

# IRS Relief on PPACA \$500,000 Compensation Deduction Limit

**PUBLISHED**

12/28/2010

**SERVICES**

The Patient Protection and Affordable Care Act (PPACA) restricts the deductibility of compensation paid by certain health insurers to an individual to \$500,000 per year. Last week, the Internal Revenue Service (IRS) issued a Notice which should go a long way toward limiting the companies affected by this provision to traditional health insurers. The attached update provides some background on the original PPACA provision and then describes the relief in the IRS Notice.