



NATIONAL ASSOCIATION OF POLICE ORGANIZATIONS, INC.

Representing America's Finest

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September 30, 2015

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CC:PA:LPD:PR (Notice 2015-52)

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Internal Revenue Service

P.O. Box 7604

Ben Franklin Station

Washington, D.C. 20044

VIA EMAIL: Notice.comments@irs.counsel.treas.gov

RE: Notice 2015-52, Section IV. Employer Aggregation

On behalf of the National Association of Police Organizations (NAPO), I am writing in response to Notice 2015-52, regarding the excise tax on high cost employer-sponsored health coverage under Section 49801 of the Internal Revenue Code. Specifically, NAPO is concerned that the adjustment for employees in high risk professions will not be applied to most public safety officers, whose job, by definition, is high risk.

NAPO is a coalition of police unions and associations from across the United States that serves to advance the interests of America's law enforcement through legislative and legal advocacy, political action, and education. Founded in 1978, NAPO now represents more than 1,000 police units and associations, 241,000 sworn law enforcement officers, and more than 100,000 citizens who share a common dedication to fair and effective crime control and law enforcement.

Although Section 49801(b)(3)(C)(iv) sets higher thresholds for the excise tax for workers in high risk professions, such as public safety officers (\$11,850 for an individual and \$30,950 for a family), to qualify for the higher threshold amounts, the majority of members in the healthcare plan must work in high risk professions. **Many public safety officers would not qualify for the higher threshold amounts, as they participate in general healthcare plans where the majority of participants do not work in high risk professions.**

Setting higher thresholds for public safety officers thus will not adequately protect officers from the tax burden, as thousands of officers participate in plans that include a majority of employees who do not work in high risk professions.

Section 49801 of the Internal Revenue Code must be modified to ensure that all public safety officers are eligible for the higher threshold amounts, regardless of the composition of the officer's healthcare plan. In addition, the Service's guidance and interpretation of Section 49801 should reflect the clear intent of Congress that public safety officers should generally be excluded from the effects

of this new tax, and that the higher dollar thresholds should be given effect to shield officers and their families, regardless of what other workers also participate in their applicable health care plans.

After completing a survey, NAPO confirmed that officers and their families across the country will be negatively impacted by the “Cadillac” health insurance plan tax. To illustrate this point, officers in our member groups, including the Phoenix Law Enforcement Association, Police Conference of New York State, Boston Police Patrolmen’s Association, Dade County (Miami), Florida Police Benevolent Association and the Postal Police Officers’ Association will be negatively impacted by the “Cadillac” health insurance plan tax. Members of the Sarasota Police Department (Florida), Waltham Police Department (Massachusetts), and Southold Town Police Department (New York) will also be negatively impacted by the tax. These public safety officers would not qualify for the higher threshold amounts, as they participate in health insurance plans where the majority of participants do not work in high risk professions. Even more, the aforementioned groups represent thousands of police officers across the nation, but only a fraction of the public safety officers who will be negatively impacted by the “Cadillac” health insurance plan tax.

Therefore, to be consistent with the unquestioned Congressional intent that public safety officers be protected from the impact of this new tax, Section 49801 must be amended to apply the higher threshold amounts to all public safety officers, even if the healthcare plan they participate in does not consist of a majority of employees working in high risk professions.

If NAPO can provide any additional information on our comments, please feel free to contact me at: (703) 549-0775.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Johnson", with a long horizontal line extending to the right.

William J. Johnson
Executive Director