The Daily Dish

February 4th Edition

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In what is beginning to become a familiar cadence from the White House, the president has promised to veto two bills in the House that would provide the public with information on the cost of regulations. According to the Associated Press, the two bills would force "agencies to undertake cost analyses of regulations and determine what costs are passed on to consumers. The other would require agencies to analyze the effect of proposed rules on small businesses." The White House stands in the way of this legislation after adding $181.5 billion in regulations last year.

The Senate was unable to gain the 60 votes needed to end debate and move to vote on the $40 billion Department of Homeland Security funding bill. All Senate Democrats voted against the measure. The bill seeks to fund the agency, but would remove spending from two executive action programs that the president signed.

When a reporter questioned the release of information from the EPA on Keystone XL, the administration was unable to answer "What happened to this transparency idea?" Monday was the last day for agencies to submit their recommendations for the Keystone XL pipeline to the State Department. Unfortunately for the public, the reports will be treated as "internal recommendations" and will remain under the administration's *cone of silence*.

Eakinomics: Obamacare and the Tax-Filing Season

Evidently the White House is unaware (although its Treasury Department is not) that millions of Americans will have to pony up additional taxes this year because of Obamacare. The tax penalty is the result of not complying with the individual mandate that one must purchase health insurance beginning in 2014. The Treasury estimates that up to 6 million Americans will owe the penalty; AAF estimated the number to be just over 5 million. For 2014, the fine is the greater of either $95 (individual) or $285 (family) and 1 percent of one's income. So, for a median income family, the hit would be in the range of $500 in additional taxes.

The mandate is only one of two possible Obamacare surprises during tax season. The second occurs if a person underestimated their 2014 income and received too-generous subsidies as a result. In those circumstances, the taxpayer will be responsible for paying back a certain amount based on their income:

- Income under 200 percent of the Federal Poverty Level (FPL) = up to $600 ($300 for individuals);
- 200-299 percent of FPL = up to $1500 ($750 for individuals);
- 300-399 percent of FPL = up to $2500 ($1250 for individuals); and
- Over 399% of FPL= full amount of subsidy.

In 2013 Health Affairs estimated that in 2014 as many as 38 percent of American families who received subsidies would have to repay some portion of their subsidies this tax season.This is hardly surprising given the overwhelming complexity of the subsidy system.

The White House may just be learning this, but there will be nearly daily reminders of these operational flaws between now and April 15.

From the Forum

Interior’s Offshore Leasing Plan Limits Development by Catrina Rorke, AAF Director of Energy and Environmental Policy

White House Unaware that Millions Will Face Individual Mandate Tax Penalty by Mike Danylak, AAF Press Secretary

A Little Extra Growth Goes a Long Way by Gordon Gray, AAF Director of Fiscal Policy

The Higher Education Agenda in the 2016 Budget Proposal by Chad Miller, AAF Director of Education Policy

Energy Highlights of the President’s 2016 Budget Proposal by Catrina Rorke, AAF Director of Energy and Environmental Policy

A Solyndra Tax Credit Goes… Permanent?! by Doug Hochberg, AAF Press Secretary