



Research

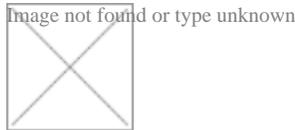
Administration Still Stalling on Individual Mandate

SAM BATKINS | DECEMBER 16, 2014

In March of 2014, the American Action Forum (AAF) found that the administration had still [failed to approve](#) paperwork requirements for the individual mandate required by the Affordable Care Act and a host of other significant regulations. It now appears that the White House recently rejected IRS's individual mandate paperwork and another notable requirement, the Net Investment Income Tax.

Under the current process, agencies formulate a request to collect paperwork from the American people and businesses. This notice is published in the [Federal Register](#) and the public is given an opportunity to comment. Then, an agency submits the request to the White House for approval.

For the individual mandate, IRS submitted the proposal on August 23, 2013, with a note requesting approval by August 26, 2013. This is an extremely quick turnaround in the regulatory world, and naturally, the proposal languished at the White House. [See below](#).



Nearly a year after receiving the individual mandate paperwork, the White House rejected the request. Thus, the IRS could be violating the Paperwork Reduction Act (PRA) every time it collects data on the individual mandate.

Based on the description above, it appears the White House has requested that IRS bundle the individual mandate collection into the general U.S. Income Tax collection, such as the 1040 that most Americans complete every spring. According to the Supreme Court, the individual mandate [is a tax](#), so it's natural to assume that it would be collected with other tax information. However, the individual mandate almost certainly won't be part of the 2015 tax season because the IRS already submitted that request on [April 30, 2014](#), three months before the White House rejected the individual mandate request. There doesn't appear to be any information in the general U.S. Income Tax collection about the "shared responsibility payment" or the individual mandate tax.

It's surprising that for a law that passed in 2010, the individual mandate would not be finalized in 2014, the first year of implementation. For all the rhetoric about the importance of the mandate to the existential nature of the law, the White House keeps kicking the can down the road on implementation. As AAF has noted before, the individual mandate is little more than a hollow legal shell, practically unenforced by the administration.

Other Pending Proposal

Net Investment Income Tax: Like the individual mandate, this new tax was a crucial part of the Affordable Care Act. The government initially projected the tax to generate more than **\$123 billion** to fund the law. IRS submitted the paperwork requirement to the White House on December 19, 2013, but didn't conclude review until early November of 2014. The White House returned the collection as "improperly submitted," and it now appears to be **bundled** with the U.S. Income Tax collections, still pending review.

Conclusion

If the individual mandate is a fundamental stool on which the Affordable Care Act stands, observers might expect the administration to finalize the regulation. However, after more than four years, there is still no clearance to impose the mandate's paperwork requirements. These delays from the administration have transformed the individual mandate from an assault on basic freedom to a toothless legal relic of a contentious law.