

EMAC Supplement Tax

The Massachusetts DUA introduced an Employer Medical Assistance Contribution (EMAC) Supplement for employers with more than five employees in Massachusetts whose nondisabled employees obtain health insurance either from MassHealth or subsidized coverage through the Massachusetts ConnectorCare program. The Supplement tax is five percent of annual wages for each nondisabled employee, up to the annual wage cap of \$15,000, for a maximum of \$750.00 annually per affected employee per year.

You may have received a notice from the MA DUA with additional information. The following are frequently asked questions about the EMAC Supplement tax.

How is the EMAC Supplement tax calculated?

If you meet the criteria, after quarterly wages are submitted, the agency will calculate the EMAC Supplement liability on your payment statements.

Will Advantage handle this new EMAC Supplement tax?

Yes, Advantage will handle this tax for Taxpay clients starting in first quarter 2018. We'll collect the tax from your account on or after **April 20, 2018**.

Do I need to assign Advantage as the third party administrator (TPA) in order for you to remit this payment?

No. It is not necessary to assign Advantage to the new EMAC TPA role to remit the EMAC Supplement tax. If we're already remitting SUI and EMAC payments on your behalf, we'll be able to submit this payment as well.

How will I know if I'm liable for the EMAC Supplement tax?

Advantage will receive a file from the agency with the amount you will need to remit for this tax. Advantage will send you a communication letting you know the amount we will collect for this tax, if you have any. You also will be able to see this information by accessing your Massachusetts UI Online account and reviewing the payment information, after your wages are filed for the quarter. If there is an amount listed on the line titled EMAC Supplement balance, Advantage will remit the tax on your behalf.

Details on the employees associated with the charge will be found within your UI online account; however, it is on a separate screen from where the normal UI/EMAC wages/balances are reflected. Advantage will not be able to view this information unless you give us specific TPA for the EMAC Supplement tax.

What is the due date to pay the EMAC Supplement tax?

The due date for the EMAC Supplement is the same as the SUI payment due date; for first quarter 2018, this tax is due **April 30, 2018**.