

2026 Premium Tax Credit Tool: An Interactive Tool for Congressional Users

Updated December 2, 2025

This Insight accompanies the 2026 Premium Tax Credit Tool, a Microsoft Excel file that congressional users can download from CRS.gov. The tool was designed to assist Congress in evaluating policy considerations in advance of the expiration of certain [premium tax credit](#) (PTC) provisions at the end of 2025. It can be used to demonstrate how potential changes to certain statutory parameters of the PTC would affect credit amounts for households with varying income levels, family characteristics, and geographic locations.

Background on the Premium Tax Credit

Certain households without access to subsidized health insurance coverage may be eligible for the PTC if they enroll in coverage purchased in the health insurance exchanges. The PTC was established under the Patient Protection and Affordable Care Act (ACA; [P.L. 111-148](#), as amended) and amended under [the American Rescue Plan Act of 2021](#) (ARPA; [P.L. 117-2](#)) and [the enacted budget reconciliation measure](#) ([P.L. 117-169](#)) commonly referred to as the Inflation Reduction Act. Several amendments are temporary.

The credit amount for a household generally is calculated as the difference between the *Second-Lowest-Cost Silver Plan (SLCSP) Premium* and the *Required Premium Contribution* as per the following formula:

$$\text{Premium Tax Credit Amount} = \text{SLCSP Premium} - \text{Required Premium Contribution}$$

SLCSP Premium refers to the premium for the second-lowest-cost silver plan in the household's local geographic area for its family status. *Required Premium Contribution* refers to the amount a premium credit-eligible household may pay toward the plan premium.

The Required Premium Contribution is calculated by taking a percentage of the household's income. The applicable percentage is specified in statute and varies according to household income relative to the federal poverty level (FPL), using poverty guidelines updated by the Department of Health and Human Services (HHS) for the previous year. Thus, for example, [the 2025 HHS poverty guidelines](#) will be used to determine the 2026 PTC.

2026 PTC Parameters Under Current Law

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Beginning in 2026, the percentages of income used in the credit formula will revert to the percentages established under the ACA, which [are adjusted annually](#) through Internal Revenue Service (IRS) guidance. To be eligible to receive the PTC in 2026 under current law,

- Households must have annual income between 100% of FPL and 400% of FPL.
 - Eligible households with annual incomes between 100% and 132% of FPL are required to pay 2.10% of their income (prorated monthly) before receiving a credit.
 - Eligible households with annual incomes between 133% and 400% are required to pay a percentage that ranges from 3.14% to 9.96% of their income (prorated monthly) before receiving the credit.
 - The Required Premium Contribution percentages increase in even increments within designated income tiers between 133% and 400% of FPL. For example, within the 133% to 149% of FPL income tier, the Required Premium Contribution percentage increases from 3.14% to 4.19%; thus, those with 133% of FPL would be required to pay 3.14% of their income, those with 134% of FPL would be required to pay 3.20% of their income, and so on.
 - All households with annual incomes above 400% of FPL will not be eligible for any credit.

SLCSP premiums generally vary among households based on factors such as age, family size, and location, and the Required Premium Contribution generally varies based on household income. The resulting [PTC likewise varies by similar factors](#).

Overview of the 2026 Premium Tax Credit Tool

The 2026 Premium Tax Credit Tool enables users to explore the impact of potential changes from current law to certain PTC parameters for 2026 on the credit amount for an eligible household. Users can adjust selected parameters of the PTC's statutory formula—specifically the household income percentages (relative to FPL) relating to PTC eligibility and the Required Premium Contribution percentages—and view the impact of such changes.

Instructions and notes are provided in the first worksheet of the 2026 Premium Tax Credit Tool, titled “Instructions.” The tool itself can be found in the second worksheet, titled “2026 PTC Tool.” As users enter information in the tool, a graphic at the bottom of the second worksheet illustrates the estimated credit amount for 2026 over a range of income levels (1) as would apply in 2026 under *expiration* of the temporary ARPA changes to PTC eligibility and amounts (i.e., under current law), (2) as would apply in 2026 with an *extension* of the temporary ARPA changes to PTC eligibility and amounts, and (3) under user-generated parameters.

A recorded demonstration of a previous version of the tool, which used 2023 premiums, is available to congressional users [here](#) and is still applicable.

Credit amounts are displayed for hypothetical households that meet all PTC eligibility criteria, including not being eligible for other subsidized coverage (e.g., Medicare and affordable employer-sponsored insurance). The credit amounts also assume all eligible family members enroll in exchange coverage.

The workbook is password-protected to prevent accidental deletions or other changes to the file.

Data Sources and Methodology

The tool determines PTC amounts using a simplified version of the [IRS Tax Form 8962](#), with certain assumptions being made, as described in the tool. The underlying data come from the following sources:

CRS identified SLCSOs using the [Robert Wood Johnson Foundation \(RWJF\) HIX Compare 2026 Individual Market Dataset](#), updated November 17, 2025. CRS removed non-silver-level plans, off-exchange plans, child-only plans, cost-sharing-reduction variant plans, and non-marketed plans from the dataset before identifying the SLCSO for each rating area.

Geographic areas in the tool cross-walk to rating areas according to the Centers for Medicare & Medicaid Services' [Individual Market Geographic Rating Areas by State](#).

Household income relative to FPL is calculated consistent with [Form 8962 instructions](#).

The “With P.L. 117-169 Extension (2026)” Required Premium Contributions used to calculate the PTC amounts came from [Table 2 in Form 8962 instructions](#). Similarly, CRS determined the Required Premium Contributions for “Current Law (2026)” based off the percentages in [IRS Rev. Proc. 2025-25](#) and the “Proposal” Required Premium Contributions based off the user generated percentages.

Updates

This tool was updated to calculate premium tax credit amounts for 2026 on December 2, 2025.

A previous 2023 version of this tool was updated on October 8, 2024, to remove non-marketed plans when determining SLCSOs. This adjustment resulted in changes to certain SLCSOs, such as those in Connecticut, Georgia, and Ohio.

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