

**DISTRICT INDIVIDUAL RESPONSIBILITY FALLBACK POLICY**  
**STAFF DRAFT – FOR DISCUSSION & REVIEW BY ACA WORKING GROUP**  
**September 14, 2017**

The District of Columbia will implement and collect an individual responsibility requirement penalty for taxpayers where the federal government fails to enforce the federal Affordable Care Act individual responsibility requirement and the taxpayer owes a federal penalty under the ACA. If the ACA penalty is paid at the federal level, no penalty is assessed on District taxes.

Any funds received through the local individual responsibility requirement will be placed in a new HBX managed fund to be used for the sole purpose of insurance market stabilization.

NOTE: Highlight denotes change recommended at the September 7<sup>th</sup>, 2017 meeting