

Internal Revenue Code Section 125(f)(3)(A)

Accelerated cost recovery system.

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(f) Qualified benefits defined. For purposes of this section—

(1) In general. The term "qualified benefit" means any benefit which, with the application of subsection (a), is not includible in the gross income of the employee by reason of an express provision of this chapter (other than section 106(b), 117, 127, or 132). Such term includes any group term life insurance which is includible in gross income only because it exceeds the dollar limitation of section 79 and such term includes any other benefit permitted under regulations.

(2) Long-term care insurance not qualified. The term "qualified benefit" shall not include any product which is advertised, marketed, or offered as long-term care insurance.

(3) Certain exchange-participating qualified health plans not qualified.



(A) In general. The term "qualified benefit" shall not include any qualified health plan (as defined in section 1301(a) of the Patient Protection and Affordable Care Act) offered through an Exchange established under section 1311 of such Act.

(B) Exception for exchange-eligible employers. Subparagraph (A) shall not apply with respect to any employee if such employee's employer is a qualified employer (as defined in section 1312(f)(2) of the Patient Protection and Affordable Care Act) offering the employee the opportunity to enroll through such an Exchange in a qualified health plan in a group market.

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