

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION UI – TRA/TAA
	CORRESPONDENCE SYMBOL OUI/DUIO
	DATE September 18, 2024

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 04-24

TO: STATE WORKFORCE AGENCIES
 STATE WORKFORCE LIAISONS
 TRADE ADJUSTMENT ASSISTANCE LEADS

FROM: JOSÉ JAVIER RODRÍGUEZ 
 Assistant Secretary

SUBJECT: Discontinuation of Internal Revenue Service (IRS) Data Submissions for the Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance (TAA) Recipients and Alternative TAA (ATAA) and Reemployment TAA (RTAA) Recipients

1. **Purpose.** To advise states about their responsibilities related to the HCTC program.
2. **Action Requested.** The U.S. Department of Labor’s (Department) Employment and Training Administration (ETA) requests that State Workforce Agency (SWA) Administrators share information contained in this Training and Employment Guidance Letter (TEGL) with appropriate staff. States must cease submitting HCTC data to the Unemployment Insurance Interstate Connection Network (ICON) system, operated by National Association of State Workforce Agencies (NASWA), as soon as possible.
3. **Summary and Background.**
 - a. Summary – The HCTC program expired on December 31, 2021. Since then, many states have continued to submit HCTC data via ICON. The IRS has informed ETA that it is officially closing HCTC operations and will no longer be able to receive files pertaining to HCTC. Attachment I to this TEGL identifies the applicable ETA Advisories that are canceled as a result of this change.
 - b. Background – Title II of the TAA Reform Act of 2002 (Public Law (Pub L.) 107-210) created the initial HCTC Federal income tax credit, which subsidizes certain health insurance coverage for eligible Pension Benefit Guaranty Corporation (PBGC) recipients as well as certain individuals in the TAA Program. The Consolidated Appropriations Act, 2021, (Pub. L. 116-260), enacted on December 27, 2020, extended the HCTC Program through December 31, 2021. Congress did not extend the program and it is now expired. Before the expiration of the HCTC on December 31, 2021, states transmitted the records of eligible TAA and ATAA/RTAA recipients to the IRS via ICON. Upon receipt of the

RESCISSIONS See Attachment I	EXPIRATION DATE Ongoing
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file from the states, the IRS determined whether the eligible TAA and ATAA/RTAA recipients were eligible for HCTC.

4. Cessation of HCTC data transmission via ICON and cancellation of related advisories.

- a. Effective immediately, states must cease transmission of the HCTC files via ICON.
- b. States must inform the appropriate ETA Regional Office when the transmissions have ceased or will cease.
- c. Due to the cessation of the HCTC program, the Department is cancelling multiple Training and Employment Notices (TENs) and Unemployment Insurance Program Letters (UIPLs) relating to the program. (See Attachment I).

5. Inquiries. Please direct inquiries to the appropriate ETA Regional Office.

6. References.

- Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, enacted December 27, 2020; <https://www.congress.gov/bill/116th-congress/house-bill/133/text>.
- The Trade Adjustment Assistance Reform Act of 2002 (TAA Reform Act), Pub. L. No. 107-210, enacted August 6, 2002; <https://www.congress.gov/bill/107th-congress/house-bill/3009/text>.

7. Attachment(s).

- Attachment I - List of Advisories Canceled by this Guidance.

List of Advisories Cancelled by UIPL No. 20-24 and TEGL No. 04-24

- **TEN No. 10-20, Change 1**, *Extension of the Health Coverage Tax Credit (HCTC) Program for Eligible Trade Adjustment Assistance (TAA) Recipients and Eligible Alternative TAA and Reemployment TAA (ATAA/RTAA) Recipients or Eligible Pension Benefit Guaranty Corporation (PBGC) Recipients*, issued on January 7, 2021, <https://www.dol.gov/agencies/eta/advisories/training-and-employment-notice-no-10-20-change-1>;
- **TEN No. 10-20**, *Expiration of the Health Coverage Tax Credit (HCTC) Program for Eligible Trade Adjustment Assistance (TAA) Recipients and Eligible Alternative TAA and Reemployment TAA (ATAA/RTAA) Recipients or Eligible Pension Benefit Guaranty Corporation (PBGC) Recipients*, issued on December 23, 2020, <https://www.dol.gov/agencies/eta/advisories/training-and-employment-notice-no-10-20>;
- **TEN No. 10-19, Change 1**, *Extension of the Health Coverage Tax Credit (HCTC) Program for Eligible Trade Adjustment Assistance (TAA) Recipients and Eligible Alternative TAA and Reemployment TAA (ATAA/RTAA) Recipients or Eligible Pension Benefit Guaranty Corporation (PBGC) Recipients*, issued on December 31, 2019, <https://www.dol.gov/agencies/eta/advisories/training-and-employment-notice-no-10-19-change-1>;
- **TEN No. 42-08**, *COBRA Premium Reduction and Extended Eligibility Provisions in the American Recovery and Reinvestment Act of 2009*, issued on May 1, 2009, <https://www.dol.gov/agencies/eta/advisories/training-and-employment-notice-no-42-08>;
- **UIPL No. 01-17**, *Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance (TAA) Recipients and Alternative TAA (ATAA) and Reemployment TAA (RTAA) Recipients*, issued on October 25, 2016, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-1-17>;
- **UIPL No. 7-14**, *Expiration of the Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance (TAA) Recipients*, issued February 5, 2014, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-7-14>;
- **UIPL No. 33-03**, *Questions and Answers About Implementation of the Advance Health Coverage Tax Credit*, issued on August 18, 2003, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-33-03>; and

- **UIPL No. 24-03**, *Implementation of the Advance Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance/Trade Readjustment Allowances (TAA/TRA) Recipients*, issued on April 14, 2003, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-24-03>.