

Verizon to take \$970M charge from health care bill

2 April 2010

(AP) -- The corporate tax impact of the recent health care overhaul grew Thursday as Verizon Communications Inc. announced it will record a related \$970 million non-cash charge in the first quarter.

So far at least 15 companies have disclosed about \$2.8 billion in charges prompted by the [health care](#) overhaul. Verizon's charge is the second-largest after AT&T, which last week announced a \$1 billion charge related to the tax bill.

[Verizon](#) and other companies currently receive a government subsidy to keep prescription drug benefits for retirees. They've been able to deduct all of their expenses, but that ends in 2013 under the recently passed legislation.

Companies are announcing the charges now because accounting rules say they have to book them during the period a new law is enacted.

Verizon's announcement follows Wednesday's disclosures by Boeing Co. and Lockheed Martin Corp. that they would record first-quarter charges of \$150 million and \$96 million, respectively, related to the health care legislation.

Other companies that recently announced charges include Ingersoll-Rand PLC and Goodrich Corp.

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