

# THE BIDEN COVID CREDITS ALREADY HAD A THREE-YEAR PHASE DOWN

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The [Biden COVID Credits](#) temporarily expanded Obamacare by removing the income cap and allowing larger subsidy amounts.

These expanded [payments](#) to [insurance companies](#) are scheduled to expire at the end of this year.

However, some lawmakers are now calling for another temporary extension of the Biden COVID Credits to provide a phase out of the subsidies. For example, [Sen. Thom Tillis \(R-NC\)](#) was recently quoted as saying, “We need to eliminate the Covid-era subsidies. We just can’t do it immediately. It’s too late into the cycle. I hope that people coalesce around maybe a one-year extension and then year two ramp down.”

But the end of the subsidies should come as no surprise: the current phase down has been in law for years.

## The Biden COVID Credits Already Had a Three-Year Phase Down

The Biden COVID Credits are already nearing the end of the three-year phase down period.

The Biden COVID Credits were created by the American Rescue Plan Act of 2021 (ARPA) and were originally available for 2021 and 2022. The [Inflation Reduction Act of 2022](#) (IRA) extended the subsidies for 2023 through the end of 2025, providing a predictable three-year phase out.

### Subtitle C—Affordable Care Act Subsidies

#### SEC. 12001. IMPROVE AFFORDABILITY AND REDUCE PREMIUM COSTS OF HEALTH INSURANCE FOR CONSUMERS.

(a) IN GENERAL.—Clause (iii) of section 36B(b)(3)(A) of the Internal Revenue Code of 1986 is amended—

(1) by striking “in 2021 or 2022” and inserting “after December 31, 2020, and before January 1, 2026”, and

(2) by striking “2021 AND 2022” in the heading and inserting “2021 THROUGH 2025”.

(b) EXTENSION THROUGH 2025 OF RULE TO ALLOW CREDIT TO TAXPAYERS WHOSE HOUSEHOLD INCOME EXCEEDS 400 PERCENT OF THE POVERTY LINE.—Section 36B(c)(1)(E) of the Internal Revenue Code of 1986 is amended—

(1) by striking “in 2021 or 2022” and inserting “after December 31, 2020, and before January 1, 2026”, and

## Let Biden's COVID Credits Expire as Scheduled

These payments were always meant to be temporary. The [Biden COVID Credits](#) were created on a partisan basis in 2021 and justified as pandemic era expense.

Biden's COVID Credits should expire as scheduled. A ten-year extension would cost [\\$410 billion](#) including interest. Obamacare is rife with [fraud](#), and Biden COVID Credits [promote more fraud](#). The Biden COVID Credits controversially expand taxpayer funding for [abortion](#) and [gender transition procedures](#).

Furthermore, [Obamacare premiums will increase](#), even if the expanded subsidies — which are sent to insurance companies, not patients — are extended.