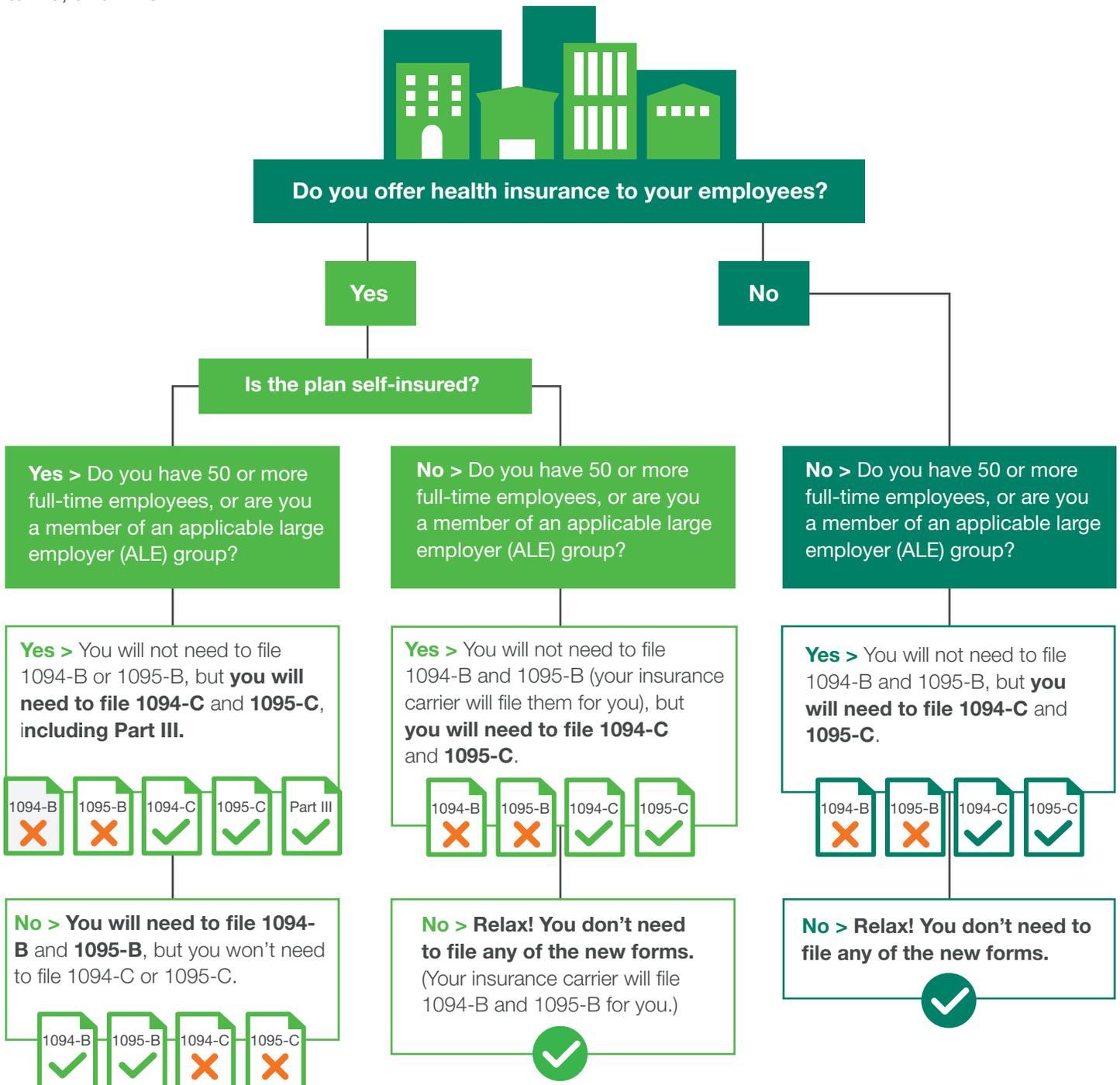


Which of the new IRS forms will you need to file?

The **Affordable Care Act (ACA)** requires employers to report employee health insurance information to the IRS. Use this document to help determine which of the new reporting forms your company needs to file, and when.





Mark your deadlines

February 1, 2016: Forms 1095-B and 1095-C are due to employees.

February 29, 2016: All paper forms are due to the IRS.

March 31, 2016: All electronic forms are due to the IRS.



Where can I find the new forms?

The 2015 forms and instructions are available at IRS.gov:

Form 1094-B: [Transmittal of Health Coverage Information Returns](#)

Form 1095-B: [Health Coverage](#)

Form 1094-C: [Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns](#)

Form 1095-C: [Employer-Provided Health Insurance Offer and Coverage Insurance](#)

The IRS uses these forms to make sure taxpayers have adequate insurance.



What transition relief means for your business

The Affordable Care Act (ACA) requires “large” employers (those with 50 or more full-time employees) to offer a health care plan that meets minimum value and affordability standards or face a penalty for each employee receiving subsidized coverage through an exchange. (The rules for these requirements make up Section 4980H of the ACA.) However, the government has issued some transition relief rules to help employers catch up with the new regulations.

If you have 50-99 employees, you won’t need to offer your employees health care coverage until 2016. Just make sure you don’t eliminate (or drastically reduce) any existing coverage.

If you have 100 or more employees, you are only required to offer coverage to 70% of employees (and their dependents) in 2015. Starting in 2016, you’ll have to offer coverage to 95% to avoid penalty.

“No offer” penalty calculator:

$(\# \text{ of employees} - 80) \times \$2,000 = \text{your penalty for 2015}$

$(\# \text{ of employees} - 30) \times \$2,000 = \text{your penalty for 2016}$



The official language

The final rule further delays full implementation of the ACA's employer share responsibility requirement.

- **Employers with between 50 and 99 full-time employees:** Employers with at least 50 but fewer than 100 full-time employees (including full-time equivalent employees) will have an additional year, until 2016, to meet the requirements of Section 4980H if the employer provides an appropriate certification described in the final rule. This transition relief is provided for all of 2015 plus, in the case of any noncalendar plan year that begins in 2015, the portion of that 2015 plan year that falls in 2016. To qualify for this relief, during the period beginning on February 9, 2014, and ending on December 31, 2014, the employer must not reduce the size of its workforce or the overall hours of service of its employees in order to satisfy the workforce size condition. A reduction in workforce size or overall hours of service for bona fide business reasons will not be considered to have been made in order to satisfy the workforce size condition. For the period from February 9, 2014, and ending on December 31, 2015 (or from February 9, 2014, until the last day of the plan year that begins in 2015 for noncalendar year plans), the employer must not eliminate or materially reduce the health coverage, if any, it offered as of February 9, 2014.
- **Employers with 100 or more full-time employees:** For each calendar month during 2015 and any calendar months during the 2015 plan year that fall in 2016, employers with 100 or more full-time employees (including full-time equivalent employees) will not be subject to a penalty for failing to provide minimum essential coverage under Section 4980H(a) if the employer offers coverage to at least 70% (instead of 95%) of its full-time employees (and their dependents). Beginning in 2016, such an employer must offer coverage to at least 95% of its full-time employees (and their dependents) to avoid paying the penalty under Section 4980H(a). For each calendar month during 2015 and any calendar months during the 2015 plan year that fall in 2016, the penalty for employers that fail to offer health coverage to at least 70% of full-time employees (and their dependents) is calculated by subtracting their allocable share of 80 rather than 30 full-time employees. In other words, the penalty will be \$2,000 per year multiplied by the number of full-time employees over 80. Employers qualifying for this transition relief from a penalty under Section 4980H(a) in 2015 are still subject to a potential penalty under Section 4980H(b).

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For more information on these topics and further information regarding the Affordable Care Act Tax Provisions, please visit: <http://www.irs.gov/Affordable-Care-Act>

Note: This material is provided for informational purposes only and not for the purpose of providing legal advice. Accordingly, the use of this material is not a substitute for the advice of a lawyer. When in doubt, please consult your lawyer for guidance. You should contact your lawyer to obtain advice with respect to any particular issue or problem.