

## The Final Countdown to ACA Reporting and Disclosure Roundup of Useful IRS Resources

This is a roundup of information available on the IRS website. The links are working as of the date of this newsletter!

### Health Coverage Information Return Deadlines

<https://www.irs.gov/Affordable-Care-Act/Employers/Mark-Your-Calendars-Health-Coverage-Information-Return-Deadlines>

Action	Reporting Due Dates in 2016 for...		
	Applicable Large Employers – Including Those That Are Self-Insured	Self-insured Employers That Are <u>Not</u> Applicable Large Employers	Coverage Providers – other than Self-Insured Applicable Large Employers*
Provide 1095-B to responsible individuals	Not Applicable**	Mar. 31	Mar. 31
File 1094-B and 1095-B with the IRS	Not Applicable**	Paper: May 31 E-file: June 30*	Paper: May 31 E-file: June 30*
Provide 1095-C to full-time employees	Mar. 31	Not Applicable	Not Applicable
File 1095-C and 1094-C with the IRS	Paper: May 31 E-file: June 30*	Not Applicable	Not Applicable

\*If you file 250 or more Forms 1095-B or Forms 1095-C, you must electronically file them with the IRS. Electronically filing ACA information returns requires an [application process](#) separate from other electronic filing systems. Additional information about electronic filing of ACA Information Returns is on the [Affordable Care Act Information Reporting \(AIR\) Program](#) page on IRS.gov and in Publications [5164](#) and [5165](#).

\*\*Applicable large employers that provide employer-sponsored self-insured health coverage to non-employees may use either Forms 1095-B or Form 1095-C to report coverage for those individuals and other family members.

This chart applies only for reporting in 2016 for coverage in 2015. In future years, the due dates will be different; see [IRS Notice 2016-04](#) for information about these dates.

### Penalties

<https://www.irs.gov/Affordable-Care-Act/Employers/Information-Reporting-by-Applicable-Large-Employers>

An ALE member that fails to comply with the information reporting requirements may be subject to the general reporting penalty provisions under section 6721 (failure to file correct information returns) and section 6722 (failure to furnish correct payee statement). The penalties have been increased by The Trade Preference Act of 2015 and the maximum penalty has been adjusted for inflation.

IRC 6721 stipulates that the penalty for failure to provide an information return is generally \$250. The penalty can be reduced to \$50 if the failure is corrected within 30 days. If the failure is corrected after 30 days but before August 1<sup>st</sup>, the penalty is \$100. IRC 6722 basically stipulates the same thing; so, think in terms of a double penalty: failure to file with the IRS and failure to furnish to an employee. The total penalty imposed for all failures during a calendar year after December 15, 2015 cannot exceed

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\$3,000,000 (\$3,178,500 as adjusted for inflation). However, the cap is lowered to \$1,500,000 if the failure is corrected before August 1. Because of the extended due date for filing the Forms, the August 1<sup>st</sup> deadlines are extended to April 30 and October 1, 2016 for statements provided to individuals and June 30 or November 1, 2016 for reporting to the IRS.

The IRS has indicated that penalties may be waived if a failure to timely furnish or file a statement or return is due to reasonable cause. The reporting entity must demonstrate that it acted in a responsible manner and that the failure is due to significant mitigating factors or events beyond the reporting entity's control.

### More information

The IRS has provided a lot of information regarding ACA on their website. In addition, the IRS offers the ability to sign up for email alerts. While we are all inundated with emails, you might find it useful to receive the information that is accessible to your employees. It might help you with your employee communication efforts!

<https://www.irs.gov/Affordable-Care-Act> - general ACA landing page with a link to Health Care Tax Tips including the following two items of note.

### IRS Health Care Tax tip

<https://www.irs.gov/uac/IRS-Tax-Tips>

<https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Heres-What-You-Need-to-Do-with-Your-Form-1095C>

<https://www.irs.gov/Affordable-Care-Act/Questions-and-Answers-about-Health-Care-Information-Forms-for-Individuals>

**Note:** all links are active as of the date of issuance of this ErisaALERT.

Disclaimer: This material is for the sole purpose of providing general information and does not under any circumstances constitute legal advice and should not be used as a substitute for legal advice. You should seek the advice of counsel when applying the requirements to your plan. For more information on this ErisaALERT contact us by phone at 610-524-5351 and ask for Mary Andersen; 720-639-5499 and ask for Leanne Fosbre or 215-508-5629 and ask for Theresa Borzelli at SG&