

ACA reporting and disclosure deadlines extended Continued penalty relief for good faith effort

The Affordable Care Act added IRC sections §6055 and §6056 which requires insurers, applicable large employers and self-insured plans to provide annual health information returns to the IRS and statements to employees. (See ErisaALERTs [2014-04](#) and [2014-09](#) for background information.) The regulations require that the employee statements be provided by January 31 and reported to the IRS by February 28 (March 31 if filed electronically). Automatic extensions of up to 30 days can be obtained by Filing Form 8809.

Extended Due Dates

IRS Notice 2018-06 has the **extended the due dates for Forms 1095-B and 1095-C from January 31, 2018 to March 2, 2018**. The 1095-B and 1095-C are the statements furnished to the individual. No extension will be available for the statements furnished to individuals.

However, the Notice **does not** extend the due date for filing the 2017 Forms 1094-B, 1095-B, 1094-C or 1095-C with the IRS. The due date for filing with the IRS remains February 28, 2018 or April 2, 2018 if filed electronically. An automatic extension can be obtained by filing Form 8809.

Continued Penalty Relief

There are penalties for failure to file with the IRS and furnish statements to individuals and they can add up. IRC §6721 applies to the return and IRC §6722 applies to the individual statements. The penalties are \$250 (\$260 in 2018) per individual to a maximum of \$3,000,000 (\$3,218,500 in 2018) calendar year. If the failure is corrected within 30 days of the due date, the \$250 is reduced to \$50 and the maximum is reduced to \$500,000 (\$536,000 in 2018). If the failure is corrected after 30 days but before August 1, the penalty is \$100 per return or statement to a maximum of \$1,500,000 (\$1,609,000 in 2018).

RS Notice 2018-06 extends transition relief from penalties under IRC §6721 and IRC §6722 to reporting entities that can show that they have made a good-faith effort to comply with the reporting requirements to both the IRS and the individual for incorrect or incomplete information reported on the return or statement. The relief applies to missing and inaccurate taxpayer identification numbers and dates of birth, as well as other information required on the return or statement.

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 at ERISAdiagnostics, Inc. or 215-508-5629 and ask for Theresa Borzelli at SG&F