

Transition Relief for Health Coverage Reporting under IRC §6055 and §6056
PS. Don't forget about applicable State reporting

The IRS issued Notice 2020-76 which once again extends the due date for certain information returns under IRC 6055 and 6066.

A brief recap of the filing requirements:

	Due date	Extended due date
Forms 1095-C and 1095-B Statements to Individuals	February 1, 2021	March 2, 2021
Submission to the IRS	February 28, 2021 (paper) March 31, 2021 (if filed electronically)	No change
Note: IRS extends penalty relief if statements were timely filed incorrectly or incompletely despite good faith effort. However, there is no penalty relief if statements are not filed at all.		

What IRS Notice 2020-76 does:

- Extends the due date for furnishing Forms 1095-B and 1095-C *to individuals* from February 1, 2021 to March 2, 2021. The 30-day good cause extension doesn't apply.
- Does not extend the due date for filing *with the IRS*. The February 28, 2021 or March 31, 2021 (if filed electronically) remain the same. However, employers and other coverage providers are permitted an automatic 30-day extension by submitting a Form 8809 before the relevant due date.
- Continued relief for incorrect or incomplete statements if a good-faith effort can be shown and filing is timely made. The IRS indicated that this would be the final extension for timely filed returns.
- No penalty will be assessed under IRC 6722 against reporting entities for failing to furnish a Form 1095-B to individuals if:
 - The reporting entity posts a notice prominently on its website state that responsible individuals may receive a copy of their 2020 Form 1095-B upon request. The notice provides an email address, and a physical mailing address to which the request may be sent as well as a telephone number where individuals can call for more information.
 - The Form 1095-B must be furnished within 30 days of the date the request is received.
- **Self-insured plans take note!** Penalty relief under IRC 6722 does not extend to the requirement to furnish Form 1095-C to full-time employees. However, penalty relief does apply for employees in a self-insured plan that are part-time for any month of 2020.
- Penalty relief does not apply to requirement to file the Forms with the IRS (1094-B and 1095-B as well as 1094-C and 1095-C)

DON'T FORGET ABOUT STATE REPORTING

California - <https://www.ftb.ca.gov/file/business/report-mec-info/index.asp>

District of Columbia - <https://otr.cfo.dc.gov/node/1423626>

Massachusetts - <https://www.mass.gov/service-details/health-care-reform-for-employers>

New Jersey - <https://nj.gov/treasury/njhealthinsurancemandate/employers.shtml>

Rhode Island -

www.tax.ri.gov/healthcoveragemandate/IndividualMandate_ReportingRequirements_FAQ.pdf

Vermont - not much information available other than the bill - H. 696 -

<https://legislature.vermont.gov/bill/status/2018/H.696> and Requirement to maintain minimum essential coverage
<https://legislature.vermont.gov/statutes/chapter/32/244>

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 Sarah Ivy at 610-743-0115 (or email at ski@saxtonstump.com) .

Mary is co-author of the Form 5500 Preparers Manual publishes by Wolters Kluwer.