
THE GROUP BENEFIT NEWS BULLETIN

ACA Reporting Deadline Extended

On Monday, December 28th, the IRS released notice 2016-4, which announced a new transition relief for the upcoming ACA reporting deadline, extending the deadline for Section 6055 & 6056 reporting. The extension moves the deadline back to March 31st, 2016 for the furnishings for forms 1095-B (Section 6055) and 1095-C (Section 6056) to employees. For the IRS Transmittal of Health Coverage Information Returns, form 1094-B, and the Transmittal of Employer-Provided Health Insurance Offer and Coverage Returns, or form 1094-C, the deadline has been extended to May 31, 2016 for paper filing, and to June 30, 2016 for electronic filing.

Employers and insurers that are already prepared to remit their forms and filings within the previous deadlines (February 1st, 2016 for individual returns and February 29, 2016 for the IRS transmittal) may still do so as the IRS is prepared to accept the filings, and encourage employers and other coverage providers to furnish statements and file the information returns as soon as they are ready.

In light of the extensions, some individual taxpayers may not receive their forms 1095-B or 1095-C in time for their 2015 tax return. However, while the information provided might assist a filer in their preparation of returns, the information is not required. Individuals do not have to wait for their form 1095-B or 1095-C to file.

Health Insurance Marketplaces are still required to issue Form 1095-A to individuals who enrolled in coverage through the Marketplace by no later than February 1st, 2016. Individuals should wait to file returns until they receive Form 1095-A.

Background:

Section 6055 requires those providing Minimum Essential Coverage to submit the necessary documents to the IRS. Examples: Fully Insured Coverage = The Carriers; Self Funded = Employer; Government Sponsor Programs = Agency that provides coverage, e.g. Department of Defense = TRICARE.

Section 6056 relates to reporting requirements of Applicable Large Employers subject to the Employer Shared Responsibility Provision., with respect to the record of coverage offering to eligible employees.

Employers are to report at the end of each calendar year, the offering of affordable health coverage to employees and their dependents to the IRS, as well as providing a copy to the employee. Most of the content of these forms will be very familiar to Employers that are comfortable with the 2014 versions, finalized earlier this year. The minor revisions to the form include some line re-placement and information integration.

Employers who have been granted transitional relief for 2015 (e.g., employers with 50-100 FTEs) from the Employer Mandate will still be required to file the necessary returns to the IRS indicating the transitional relief that applies to them.

As always, TBPG will continue to monitor all updates and keep you informed of any pertinent information. If you have any questions, please contact your TBPG representative.

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