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IRS Questions and Answers about Health Coverage Forms for Individuals

The Affordable Care Act (ACA) has created new reporting complexities for employers and employees related to the requirement that all Americans must now have health insurance or pay a penalty. Starting in 2016, the majority of large employers must report information to the IRS about healthcare coverage offered during 2015 and whether it meets requirements as outlined by the ACA. Also because of the ACA, many Americans will receive new forms this winter providing information about the health coverage they had or were offered in 2015. With these new tax reporting forms comes new questions and concerns from employees.

Much like the Form W-2, which includes information about income received, these new health coverage forms provide information used when filing an individual income tax return (Form 1040). Also like the Form W-2, these new forms will be provided to the IRS by the entity that provides the form to the individual. The new health coverage forms are:

- [Form 1095-A](#), *Health Insurance Marketplace Statement* sent to individuals who enrolled in coverage there, with information about the coverage, who was covered, and when.
- [Form 1095-B](#), *Health Coverage* sent by health insurance providers (for example, health insurance companies providing fully insured coverage) to individuals they cover, with information about who was covered and when.
- [Form 1095-C](#), *Employer-Provided Health Insurance Offer and Coverage* sent by certain employers to certain employees, with information about what coverage the employer offered. Employers that offer health coverage referred to as “self-insured coverage” send this form to individuals they cover, with information about who was covered and when.

The Internal Revenue Service (IRS) has released a new [Questions and Answers](#) page on their website intended to help individual taxpayers understand these new health coverage forms, including who should expect to receive them and what to do with them. The Q&A information answers many relevant questions employees may have regarding the forms such as:

- Can I file my tax return if I have not received any or all of these forms?
- My employer or health coverage provider has suggested that I opt to receive these forms electronically rather than on paper. Are they allowed to ask me that?
- Will I get a Form 1095-C from each of my employers?
- What do I need to do with these forms?

Am I required to file a tax return if I receive one of these forms?

- Should I attach Form 1095-A, 1095-B or 1095-C to my tax return?

Penalties for failure to have health insurance are assessed on personal income tax returns (Form 1040). To avoid a penalty, most people will only have to check a box on their Form 1040 stating that they (and their dependents if applicable) received qualified health coverage for the year (the health coverage form is not needed to file a personal return). However, some employees may be looking for their health coverage form(s) in order to file their personal return.

Many employees will not receive their health coverage form(s) by the time they are ready to file their 2015 tax return. The deadline for the Marketplace to provide Form 1095-A is February 1, 2016. The deadline for insurers and certain employers to provide Forms 1095-B and 1095-C is March 31, 2016. Therefore, most employees will not receive their health coverage forms until late March. The [Questions and Answers](#) page on the IRS website explains these deadlines and requirements in detail. The IRS Q&A also provides that while the information on these health coverage forms may assist in preparing a return, these forms are not needed to complete the Form 1040 and the health coverage forms should not be attached to a personal income tax return or sent to the IRS. The issuers of the health coverage forms are required to send the information to the IRS separately. The health coverage forms should be kept with other important tax documents.

Additional information about the health coverage forms and other individual ACA compliance requirements can be found at <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families>. Questions about completing a 2015 personal tax return should be directed to a qualified tax professional.

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877-861-3220



news@connerstrong.com



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