

July 29, 2014

IRS Releases Draft Forms on Health Coverage Reporting

The Internal Revenue Service (IRS) has released draft versions of the reporting forms that will be used by employers to report information on the healthcare coverage that they offer to employees, as required by the Affordable Care Act (ACA). The IRS will use the information collected to enforce both the individual mandate and the employer shared responsibility “pay or play” rules . These reporting requirements are effective for 2015 information (first reporting due in early 2016). A reporting entity may be subject to penalties for failure to file a correct information return and failure to furnish correct payee statements. However, the IRS will not impose penalties for the first year’s reporting if incorrect or incomplete information is reported, as long as the reporting entity can show they made good faith efforts to comply with the requirements. See our [Update](#) for a summary of the final regulations on the reporting requirements.

[Information Reporting of Minimum Essential Coverage](#): Internal Revenue Code Section 6055 requires providers of minimum essential coverage (MEC) and providers of coverage through an employer’s group health plan to report information that will allow taxpayers to establish and the IRS to verify that the taxpayers were covered by MEC and their months of enrollment during a calendar year. Related statements must also be furnished to employees. Form 1095-B is for reporting the 6055 information and Form 1094-B is for transmitting the returns to the IRS.

- [Form 1095-B](#): Health Coverage
- [Form 1094-B](#): Transmittal of Health Coverage Information Return

[Information Reporting by Applicable Large Employers](#): Section 6056 requires applicable large employers (generally employers with 50 or more full-time employees) to report to the IRS information about the coverage that they offer to their full-time employees and requires them to furnish related statements to employees. Form 1095-C is for reporting the 6056 information and Form 1094-C is for transmitting the returns to the IRS.

- [Form 1095-C](#): Employer-Provided Health Insurance Offer and Coverage
- [Form 1094-C](#): Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

The draft forms were released without instructions, which are expected in August. The draft versions are not to be used for filing purposes. Comments on the draft forms can be provided to the IRS at [Comment on Tax Forms and Publications](#).

Conner Strong & Buckelew will provide alerts and updates as new information is issued on this

important topic. Should you have questions about this or any aspect of federal health insurance reform, contact your Conner Strong & Buckelew account representative toll free at 1-877-861-3220. For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online [Resource Center](#).



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