



New IRS Reporting Forms and Instructions for ACA Compliance with Forms 1094-C and 1095-C

The Affordable Care Act (ACA) will now require large employers (employers with at least 50 full-time equivalent employees) to fill out two new tax forms and distribute them to their employees and to the IRS.

Large employers will be responsible for filing **Form 1094-C** with the IRS. The IRS will use this form to determine if the large employer is subject to the Employer Mandate. They will also use this form to see who was offered coverage that met the affordability standard and if the insurance offered met the minimum essential coverage. Large employers not providing affordable, qualifying health coverage to their employees are subject to hefty annual fines.



Large employers will also be responsible for giving **Form 1095-C** to each staff member during the calendar year. Information included on the form will outline the employees share of cost and information about the health coverage offered by the employer. Employees will need to submit this form with their personal income taxes.

In order to complete the new IRS forms (due 2/29/16 for the 2015 calendar year), large employers need to track certain information for **each month in 2015**. Failure to provide the new IRS forms by the due date will result in a \$100 fine per return.

- ⇒ The employee's share of cost (for the employee only premium) each month
- ⇒ Who was offered coverage (including the employee's family members)
- ⇒ Make sure you are tracking your variable work employee's hours and offering them coverage when necessary

Connect with us to see how we can help!

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