

# TAX ALERT

## Affordable Care Act (ACA) Reporting - IRS Extends Due Dates

On December 28, 2015, the Internal Revenue Service (“IRS”) published Notice 2016-4, Extension of the Due Dates for 2015 Information Reporting Under I.R.C. §§ 6055 AND 6056. The notice extends the deadlines for the 2015 Affordable Care Act (“ACA”) information reporting requirements for those required to file. The notice explains that the extensions of the due dates apply only to §6055 and §6056 information returns and statements for calendar year 2015 filed and furnished in 2016. Obtaining the extensions does not require the submission of any request or other documentation to the IRS; the extensions apply automatically to all filers.

The due date for employers and coverage providers to distribute Forms 1095-B and 1095-C to employees and covered individuals has been extended from February 1, 2016 to March 31, 2016. The due date to electronically file Forms 1094-B and 1095-B, as well as Forms 1094-C and 1095-C with the IRS has been extended from March 31, 2016 to June 30, 2016. For those planning to paper file Forms 1094-B, 1095-B, 1094-C and 1095-C with the IRS, the original due date of February 29, 2016 has been extended to May 31, 2016.

The ACA enacted reporting requirements for both small employers (generally those with fewer than 50 full-time employees) and large employers (generally those with 50 or more full-time employees or full-time equivalents). An employer that employed an average of at least 50 full-time employees or full-time-equivalent employees during the preceding calendar year is classified as an ALE, or applicable large employer. The determination of which 1094 and 1095 forms to file is based on the company’s size (applicable large employer or small employer) and whether the company has a fully-insured or self-insured health plan for its employees.

ALEs are required to file Form 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, and Form 1095-C, Employer-Provided Health Insurance Offer and Coverage. For more information on the ACA reporting requirements for ALEs, taxpayers can log on to the IRS [website](#). Small employers that are fully-insured have no reporting requirements. Small employers that are self-insured are required to file Form 1094-B, Transmittal of Health Coverage Information Returns, and Form 1095-B, Health Coverage.



## Affordable Care Act (ACA) Reporting - IRS Extends Due Dates (cont.)

The IRS has published a significant amount of information on its website about the ACA reporting requirements. That information can be found **here** and is essential for both employers and employees who will be receiving the Forms 1095-B and 1095-C from their employers for the first time in 2016.

If you are an employer who has not yet thought about the ACA reporting requirements due in 2016, now is the time to take a look at what needs done. The amount of information required can be extensive. In addition, employers may need to coordinate obtaining this information with their third-party payroll and insurance providers, as well as from different departments within their own organizations. Moreover, there are steep penalties imposed for failure to file the information returns and for filing incorrect or incomplete information. As a result, employers need to be aware of these reporting requirements and how to comply.

According to Notice 2016-4, the IRS is prepared to accept filings of the information returns on Forms 1094-B, 1095-B, 1094-C, and 1095-C beginning in January 2016. Therefore, while the due dates have been extended, the IRS is encouraging employers and other coverage providers to furnish statements and file the information returns as soon as they are ready.