

IRS Issues Final Forms And Instructions For The New Reporting Requirements For The Employer Shared Responsibility Mandate

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As previously reviewed in *The Fast Laner*, in order to administer and enforce the rules of the Individual and Employer Shared Responsibility Mandates of the Affordable Care Act (ACA), Sections 6055 and 6056 were added to the Internal Revenue Code (Code). These Code sections, among other things, require all applicable large employers (ALEs) - generally defined as employers with 50 or more full-time employees including full-time equivalents - and self-insured small employers with less than 50 full-time employees, including full-time equivalents - to file information returns with the IRS about the health coverage they provide to full-time employees. Additionally, ALEs and self-insured small employers must provide statements to their full-time employees about the health coverage they provide to them. The IRS published draft forms and instructions addressing this reporting requirement last August. Recently, the IRS finalized the forms and instructions, thereby providing self-insured small employers and ALEs the final information necessary to prepare for the first report, which comes due in 2016 for 2015 coverage. Small self-insured employers will utilize **Form 1095-B** to report the required information to covered full-time employees and use **Form 1094-B** to transmit Form 1095-B to the IRS. Instructions for the 1094-B and 1095-B forms may be found [here](#). ALEs will use **Form 1095-C** to report the required information to covered full-time employees and use **Form 1094-C** to transmit Form 1095-C to the IRS. Instructions for the 1094-C and 1095-C forms may be found [here](#). Even though the forms are not due until 2016, employers should familiarize

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themselves with the content of the forms in order to understand the information required and to begin compiling such information to avoid any reporting penalties. For the 2015 reporting period, the IRS has stated that it will not impose penalties on employers for mistakes in the forms so long as they have made good faith efforts to comply with the information reporting requirements. However, the good faith enforcement policy will not apply to late filers.