



This article presents general guidelines for Georgia nonprofit organizations as of the date written and should not be construed as legal advice. Always consult an attorney to address your particular situation.

ACA Year-End Reporting – Checklist

Affordable Care Act (ACA) reporting starts in 2016 (based on data from 2015). Employers need to be prepared. This checklist provides some basic facts and a number of links to forms and information. It assumes that the employer is not self-funded but provides health coverage through insurance. The rules apply to all employers without regard to whether the employer is tax-exempt or nonprofit.

Who is required to file?

ACA reporting is required only for applicable large employers (ALE). For this reporting, an employer who had on average at least 50 full-time employees in 2014 is an ALE. ALE determinations require counting both full-time and full-time-equivalent employees. See <https://www.irs.gov/Affordable-Care-Act/Employers/> for details from the IRS.

What forms are required to be filed?

Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, must be provided to all full-time employees.

Form 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns, must be filed with the IRS and aggregates the information provided to employees.

There are instructions for both forms.

These forms can be found on the IRS website:

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

When are filings due?

Form 1095-C must be delivered to the individual employees by March 31, 2016.

Form 1094-C must be filed with the IRS by May 31, 2016 if filing on paper, or by June 30, 2016 if filing electronically.

ALEs with 250 or more forms to provide must file electronically through the ACA Information Returns (AIR) program which starts accepting electronic filings on January 21,

Dated: 1/15/2016

www.pbpatl.org

© 2016 Pro Bono Partnership of Atlanta, Inc. All rights reserved.

2016. See <https://www.irs.gov/for-Tax-Pros/Software-Developers/Information>Returns/Affordable-Care-Act-Information-Return-AIR-Program>.

What information is needed for the filings?

The Form 1095-C will need the name, address and Social Security number (SSN) for each full-time employee, ALE name, address and Employer Identification Number (EIN), determination of employee status as full-time or not by calendar month, whether an offer of health coverage was applicable by calendar month (by code), the employee share of lowest cost monthly premium for self-only coverage at meets the minimum value, and any applicable safe harbor.

Determination of full-time status for ACA reporting is not necessarily the same as the label "full-time" that an employer uses for employees. See the instructions for Forms (above) and Frequently Asked Questions for ACA (below) for details.

Where can some questions be answered?

The IRS has posted over 30 questions and answers on its website at <https://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Reporting-of-Offers-of-Health-Insurance-Coverage-by-Employers-Section-6056>.

Also, the IRS has posted FAQs on reporting and the forms required at <https://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-about-Information-Reporting-by-Employers-on-Form-1094-C-and-Form-1095-C>.

In over 50 FAQs, the IRS addresses the rules regarding the Shared Responsibility Provisions of ACA, covering the "pay or play" regulations and other information at <https://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Employer-Shared-Responsibility-Provisions-Under-the-Affordable-Care-Act>.

What if a third party prepares and makes the filings?

The IRS responded in FAQ 28 (<https://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Reporting-of-Offers-of-Health-Insurance-Coverage-by-Employers-Section-6056>) that an ALE can make arrangements for a third party to facilitate reporting but the ALE cannot transfer the liability for failures to the third party; the ALE is responsible for the reporting.

What are the penalties for not reporting or reporting incorrectly?

See <https://www.irs.gov/Affordable-Care-Act/Employers/Information-Reporting-by-Applicable-Large-Employers>. An ALE member that fails to comply with the information

Dated: 1/15/2016

www.pbpatl.org

© 2016 Pro Bono Partnership of Atlanta, Inc. All rights reserved.

reporting requirements may be subject to the general reporting penalty provisions under section 6721 (failure to file correct information returns) and section 6722 (failure to furnish correct payee statement). The waiver of penalty and special rules under section 6724 and the applicable regulations, including abatement of information return penalties for reasonable cause, may apply to certain failures under section 6721 or 6722.

Thus, it is better to file a form even if it needs corrections than to fail to file at all. If returns are late, be sure to check the penalty abatement rules and submit a request for abatement or reduction of any penalties.

Additional information or assistance:

If you still have questions or need help understanding the requirements, please contact your attorney.

Dated: 1/15/2016

www.pbpatl.org

© 2016 Pro Bono Partnership of Atlanta, Inc. All rights reserved.