

Legislative Brief

HCR: ACA Reporting - Electronic Filing

February 2016

Reminder: Request for Waiver from Electronic Filing Due by Feb. 15, 2016

SUMMARY:

- Affordable Care Act (ACA) reporting is required under Code Sections 6055 (for the individual mandate) and 6056 (for the employer mandate) starting with calendar year 2015.
- The IRS extended the due date for filing 2015 returns with the IRS (i.e., Forms 1094-B and 1095-B or Forms 1094-C and 1095-C) from February 29, 2016 to May 31, 2016 (for paper filing) and from March 31, 2016 to June 30, 2016 (if filing electronically).
- Employers required to file 250 or more returns are required to file their returns electronically to the IRS via the IRS AIR program. **However, an employer who is required to file electronically to the IRS may request a waiver from electronic filing for 2015 by submitting a Form 8508 by February 15, 2016.**
- If the IRS grants the waiver, the employer may submit its returns to the IRS via paper filing but is not required to do so (i.e., electronic filing remains available). If the employer elects to file via paper, the employer must adhere to the paper filing deadline (May 31, 2016).
- If you are an applicable large employer (ALE) subject to electronic filing, you may want to request a waiver from filing electronically in case any complications arise with your electronic filing for 2015.

Background

Code Section §6055 requires providers of minimum essential coverage to file and furnish information regarding the coverage provided to assist the IRS with administering the ACA Individual Mandate. Code Section §6056 requires an applicable large employer (ALE) to file and furnish information relating to the health insurance that it offers (or does not offer) to its full-time employees and their dependents. An ALE is an employer who employs at least 50 or more full-time employees (including full-time equivalents) on average during the prior calendar year. This information is provided to assist the IRS with administering the ACA Employer Mandate and the premium tax credit provided to individuals who enroll in coverage through the Federal Marketplace (Exchange).

An ALE who expects to file 250 or more ACA Information Returns (Forms 1094 and 1095) for the 2015 calendar year generally must file those information returns to the IRS electronically through the IRS AIR System unless a waiver is requested and approved. To request the waiver, an ALE must submit [Form 8508](#) (Request for Waiver from Filing Information Returns Electronically) at least 45 days before the original due date of March 31, 2016 (i.e., February 15, 2016 for the 2015 calendar year). **Form 8508 cannot be filed electronically, but rather** must be submitted via fax at (877) 477-0572 or via first class mail to: Internal Revenue Service, Attn: Extension of Time Coordinator, 240 Murall Drive Mail Stop 4360, Kearneysville, WV 25430.

An ALE must indicate on Form 8508 whether this is a first time request (since 2015 is the first year of reporting, item 8 will be left blank). Upon receipt of the request, the IRS will evaluate the request and issue an approval or denial letter. If a waiver is granted, the ALE may file its ACA returns via paper, but is not required to do so (i.e., the ALE may still elect to file electronically and use the later deadline date for filing electronically). A granted waiver simply provides an ALE the option to submit reporting via paper if an issue with electronic filing of its 2015 reporting arises

Action to be Taken

Applicable large employers (ALEs) subject to electronic filing of Forms 1094-C and 1095-C are encouraged to request a waiver from filing electronically by February 15, 2016, should any complications arise with their electronic filings for 2015. If you have any questions, please contact your Client Executive.

Health Care Reform —the Affordable Care Act (ACA)—has many complex requirements for employers and health plans. Please contact Kapnick Insurance Group with any questions about how you can prepare for any of the health care reform requirements. This Kapnick Insurance Group Update is not intended to be exhaustive nor should any discussion or opinions be construed as legal or tax advice. The information contained in this communication is intended to provide general information regarding health care reform and related topics, and is based on general information available at the time it was prepared. Readers should contact their tax and/or legal counsel for advice that is appropriate to their specific circumstances. This information cannot be used by any taxpayer to avoid tax penalties.

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