



What every HR leader should know about compliance, *at a glance*



IRS Releases Final Forms and Instructions for 2020 ACA Reporting

5 Minute Read

The IRS recently released final instructions for both the [1094-B and 1095-B](#) forms and the [1094-C and 1095-C](#) forms and the final forms for [1094-B](#), [1095-B](#), [1094-C](#), and [1095-C](#). The forms have generally remained unchanged from prior years. As a reminder, individuals do not pay a penalty for failure to have health coverage. The following summarizes the ACA filing deadlines and responsible parties.

ACA Form	Purpose	Deadline
IRS Form 1094-B (Transmittal of Health Coverage Information)	The transmittal form to the IRS for the Forms 1095-B and provides a summary of the Forms 1095-B that were issued to employees.	<ul style="list-style-type: none">• March 1, 2021, or March 31, 2021, if filing electronically. The filing deadline has not been extended by the IRS.• The 30-day automatic extension may be requested by filing Form 8809.
IRS Form 1094-C (Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns)	The transmittal form to the IRS for the Forms 1095-C provided to employees.	<ul style="list-style-type: none">• March 1, 2021, or March 31, 2021, if filing electronically. The filing deadline has not been extended by the IRS.• The 30-day automatic extension may be requested by filing Form 8809.



ACA Form	Purpose	Deadline
Form 1095-B (Health Coverage)	Provided to the employee to summarize their coverage during the year and the employee’s proof that they had insurance coverage. There is no penalty for an individual’s failure to have coverage.	<ul style="list-style-type: none"> March 2, 2020, is the extended deadline for distribution to employees. IRS Notice 2020-76 extends the deadline from January 31, 2021, to March 2, 2021, to provide Forms 1095-B to employees.
Form 1095-C (Employer Provided Health Coverage)	Provided to the employee to describe the coverage that was made available to the employee, identifies the employer, the months during which the employee was eligible for coverage, and cost of the least expensive monthly premium the employee could have paid under the plan.	<ul style="list-style-type: none"> March 2, 2020, is the extended deadline for distribution to employees. IRS Notice 2020-76 extends the deadline from January 31, 2021, to March 2, 2021, to provide Forms 1095-C to employees.

Filing Responsibility

	Fully Insured < 50 FTEs	Fully Insured 50+ FTEs	Self-Funded < 50 FTEs	Self-Funded 50+ FTEs
Forms to Employee	1095-B	1095-B / 1095-C (Parts I and II only)	1095-B	1095-C (all Parts)
Filing Responsibility	Insurer	Insurer / Employer	Plan Sponsor (generally the employer)	Plan Sponsor (generally the employer)
IRS Submissions	1094-B	1094-B (with copies of all 1095-Bs) / 1094-C (with copies of all 1095-Cs)	1094-B (with copies of all 1095-Bs)	1094-C (with copies of all 1095-Cs)

2020 Plan Start Month Box

The 1095-C form retains the “plan start month” box, which was optional for 2015, 2016, 2017, 2018, and 2019. For 2020 reporting, this box is no longer optional and cannot be left blank. This box is intended to provide the IRS with information used to calculate an individual’s eligibility for premium tax credits, which is based on the employer plan’s affordability, calculated by plan year.



Penalties

- The penalty for failure to file a correct information return is \$280 for each return for which the failure occurs, with the total penalty for a calendar year not to exceed \$3,392,000.
- The penalty for failure to provide a correct payee statement is \$280 for each statement for which the failure occurs, with the total penalty for a calendar year not to exceed \$3,392,000.

Special rules apply that increase the per-statement and total penalties if there is intentional disregard of the requirement to file the returns and furnish the required statements.

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This information is general and is provided for educational purposes only. It is not intended to provide legal advice. You should not act on this information without consulting legal counsel or other knowledgeable advisors.