

November 28, 2016
Employer Deadline Extended for ACA Reporting to Individuals



Employers and insurers were given an extra month to comply with the upcoming [Affordable Care Act \(ACA\)](#) requirements to furnish 1095-B and –C reports to individuals. The deadline is being moved back from January 31 to March 2, 2017, the Internal Revenue Service (IRS) announced in [Notice 2016-70](#). In addition, the good-faith transition relief that applied to last year’s Form 1094 and 1095 submittals is being extended to the reporting for 2016, the IRS stated.

“Following consultation with stakeholders, the Department of the Treasury (Treasury) and the Service have determined that a substantial number of employers, insurers, and other providers of minimum essential coverage need additional time beyond the January 31, 2017, due date to gather and analyze the information and prepare the 2016 Forms 1095-B and 1095-C to be furnished to individuals,” the IRS explained in the notice. The IRS therefore decided to extend the deadline by 30 days, but will not grant additional extensions on an individual basis.

The notice does not affect the deadlines for filing the Forms 1094 and 1095 with the IRS, or the opportunity to request 30-day extensions of those dates. Treasury and IRS “have determined that there is no similar need for additional time” in this context, the IRS explained.

Filing under Code Sections 6055 and 6056 is required to determine compliance with the individual and employer mandates, respectively. Section 6055 requires health insurers and sponsors of self-insured health plans to report on the type and period of coverage. Section 6056 requires applicable large employers to provide information about whether minimum essential coverage is offered to their full-time employees and their dependents.

Good-faith relief

For both the Section 6055 and 6056 reporting in 2015, the IRS offered transitional relief for submittals that were timely but included incorrect or incomplete information, if these entities could show good-faith compliance efforts. “Following consultation with stakeholders, Treasury and the Service have determined that this relief is appropriate for the information reporting requirements under sections 6055 and 6056 for 2016 also,” according to the IRS notice.



“This relief applies to missing and inaccurate taxpayer identification numbers and dates of birth, as well as other information required on the return or statement,” the IRS added. “In determining good faith, the Service will take into account whether an employer or other coverage provider made reasonable efforts to prepare for reporting the required information to the Service and furnishing it to employees and covered individuals.”

ACA reporting violations are subject to penalties of up to \$260 per filing (\$520 for intentional disregard) under Code Sections 6721 and 6722. Penalties may be abated if the submitter establishes that the failures were due to reasonable cause and not willful neglect.

If you have further inquiries per this story, please contact HR@eESIpeo.com or 888.465.1171.