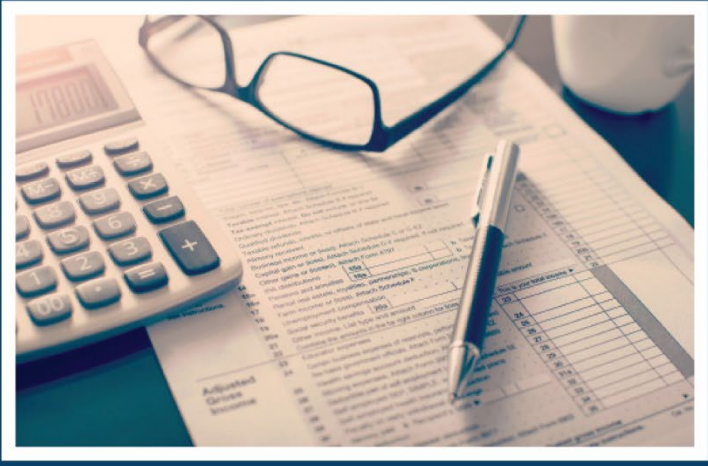


UPCOMING ACA REPORTING DEADLINES



Employers subject to Affordable Care Act (ACA) reporting under Internal Revenue Code Sections 6055 or 6056 should prepare to comply with reporting deadlines in early 2023. For the 2022 calendar year, covered employers must:

- Furnish statements to individuals by **March 2, 2023**; and
- File returns with the IRS by **Feb. 28, 2023** (or **March 31, 2023**, if filing electronically).

Penalties may apply if employers are subject to ACA reporting and fail to file returns and furnish statements by the applicable deadlines.

The annual deadline for furnishing statements to individuals is Jan. 31. However, the IRS [finalized](#) a 30-day automatic extension to the annual furnishing deadline. Thus, the deadline for furnishing statements to individuals for the 2022 calendar year is extended from Jan. 31, 2023, to March 2, 2023. In addition, the IRS has provided an alternative to automatically furnishing statements to covered individuals in certain situations.

Covered Employers

The following employers are subject to ACA reporting under Sections 6055 and 6056:

- Employers with **self-insured health plans** (Section 6055 reporting)
- **Applicable large employers (ALEs)** with either fully insured or self-insured health plans (Section 6056 reporting)

ALEs are employers with **50 or more** full-time employees (including full-time equivalent employees) during the preceding calendar year. Note that ALEs with self-funded plans are required to comply with both reporting obligations. However, to simplify the reporting process, the IRS allows ALEs with self-insured plans to use a single combined form to report the information required under both Sections 6055 and 6056.

Section 6055 and 6056 Reporting

- Section 6055 applies to providers of minimum essential coverage (MEC), such as health insurance issuers and employers with self-insured health plans. These entities generally use Forms [1094-B](#) and [1095-B](#) to report information about the coverage they provided during the previous year.
- Section 6056 applies to ALEs—generally, those employers with 50 or more full-time employees, including full-time equivalents, in the previous year. ALEs use Forms [1094-C](#) and [1095-C](#) to report information relating to the health coverage that they offer (or do not offer) to their full-time employees.

Employers reporting under both Sections 6055 and 6056—specifically, ALEs with self-insured plans—use a combined reporting method by filing Forms 1094-C and 1095-C.

Annual Deadlines

Generally, forms must be filed with the IRS annually, no later than **Feb. 28 (March 31, if filed electronically)** of the year following the calendar year to which the return relates. Employers may receive an automatic 30-day extension to file with the IRS by completing and filing [Form 8809](#) by the due date of the return. Additional extensions of time to file may also be available under certain hardship conditions.

In addition, a reporting entity must furnish statements annually to each individual who is provided MEC (under Section 6055) and each of the ALE's full-time employees (under Section 6056). Individual statements were generally due on or before **Jan. 31** of the year immediately following the calendar year to which the statements relate. However, beginning with the 2021 calendar year, the IRS has provided an **automatic extension of 30 days** to furnish statements (Forms 1095-B and 1095-C) to individuals under Sections 6055 and 6056. Because the extension is automatic, reporting entities do not need to formally request an extension from the IRS.

Under this deadline extension, statements furnished to individuals will be timely if furnished **no later than 30 days after Jan. 31** of the year following the calendar year to which the statement relates. If the extended furnishing date falls on a weekend or legal holiday, statements will be timely if furnished on the next business day.

Alternative Method of Furnishing Under Section 6055

As of 2019, the individual mandate penalty has been reduced to zero. As a result, an individual does not need the information on Form 1095-B to calculate their federal tax liability or file a federal income tax return. Beginning with the 2021 calendar year, the IRS has provided an **alternative manner for a reporting entity to furnish statements to individuals under Section 6055**. This alternative method applies for all years when the individual mandate penalty is zero.

Under this alternative manner of furnishing, the reporting entity must post a clear and conspicuous notice on its website stating that responsible individuals may receive a copy of their statement upon request. The notice must include an email address, a physical address to which a request may be sent and a telephone number to contact the reporting entity with any questions. Reporting entities must post the notice by the due date for furnishing ACA statements and must generally retain the website notice until Oct. 15.

ALEs offering self-insured health plans are generally required to use Form 1095-C, Part III, to meet the Section 6055 reporting requirements, instead of Form 1095-B. A self-insured ALE may use this relief for employees who are enrolled in the ALE's self-insured plan and are not full-time employees of the ALE, as well as for nonemployees (e.g., former employees) who are enrolled in the self-insured plan. **However, an ALE may not use the alternative method of furnishing for full-time employees who are enrolled in the self-insured plan.**

Elimination of Good Faith Transition Relief From Penalties

For reporting years prior to 2021, the IRS provided transitional good faith penalty relief for reporting entities that could show that they made good faith efforts to comply with the information reporting requirements. However, the transitional good faith relief from penalties for reporting incorrect or incomplete information on information returns or statements is not available for reporting for tax year 2021 and subsequent years.

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