

## Employer Guide for ACA Information Reporting under IRC Sections 6055 and 6056

	6055	6056
<b>Why</b>	-Allows IRS to enforce the Individual Shared Responsibility (mandate).	-Allows IRS to enforce the Employer Shared Responsibility (mandate). -Allows IRS to assess premium tax credits for coverage purchased through a Marketplace.
<b>Who</b>	Insurers and certain self-funded employers	Employers subject to the Employer Shared Responsibility mandate
<b>What</b>	-Used to verify what insurance an individual had and what an employer offered.  -Carriers will report on fully insured plans.  -Self-funded plans (under 50) not subject to the Employer Shared Responsibility must report to the IRS and each employee.	-Assist in the enforcement of the Employer Responsibility/Play or Pay provision. -Applicable Large Employers (ALEs) are employers with 50 or more fulltime equivalent employees and are determined by the number of fulltime and fulltime equivalents in the preceding calendar year, counting all affiliated companies. -An employer may use any six consecutive month period in 2014 to determine group size for 2015. -If the employer group has at least 50 fulltime and fulltime equivalents in 2014, they are subject to Employer Play or Pay in 2015. -The employer is reporting on 2015 calendar year data in 2016. -Multiple employer (union) plans: it is necessary that the union and employer coordinate information as employees may only receive one 1095-C.
<b>When</b>	-Beginning 2015 - calendar year, not plan year -To responsible individual: Jan. 31, 2016 -To IRS: Feb. 28 (or March 31 if electronic)	
<b>How</b>	-Forms 1094-B and 1095-B: Insurers -Forms 1094-C and 1095-C: self-funded employers subject to employer mandate	-Forms 1094-C (transmittal to IRS) and 1095-C (copy to employee) -Forms 1094-B and 1095-B: Self-funded employers providing coverage to non-employees (e.g., non-employee directors)
<b>Penalties</b>		-Failure to file timely and correct returns: \$100 for each return, not to exceed \$1.5M for all failures in the calendar year. -Higher penalties will be assessed for failure due to intentional disregard.

[Download the IRS Forms: apps.irs.gov/app/picklist/list/draftTaxForms.html](https://apps.irs.gov/app/picklist/list/draftTaxForms.html)

### ACA Information Tracking and Reporting Solutions

#### 2 Types of Organizations: Employers who process payroll In-house and employers who outsource to a third party

Options for In-house Payroll:	Options for Outsourced Payroll:
1. ALEs filing 250 or more returns are required to file electronically. Determine if current solution can meet this requirement.	1. Does the current solution offer this service? If so, what additional functionality is needed and what is the cost to add it?
2. Does the current solution offer this service? If so, what additional functionality is needed and what is the cost to add it?	2. Replace the current system with a robust Payroll/HRIS solution that includes ACA Information tracking and reporting.
3. Complement the current payroll system with a benefit enrollment tool that can track benefit related data and include ACA reporting.	3. Complement the current payroll system with a benefit enrollment tool that can track benefit related data and include ACA reporting.
4. Contract with a third party company that specializes in ACA Information tracking and reporting.	4. Contract with a third party company that specializes in ACA Information tracking and reporting.