



2018 ACA Deadlines Looming for 2017 Tax Year

While an Executive Order was issued earlier this year directing agencies to minimize Affordable Care Act (ACA) burdens on employers, the law has not yet been changed. Employers must still comply with the mandates of the ACA moving into the 2018 filing period for the tax year 2017.

IRS forms reporting employee health coverage offered in 2017 must be prepared by the employer and distributed to employees by early 2018. The IRS has prepared draft forms to assist employers in navigating the process. *These drafts are for informational purposes only.*

Draft IRS forms can be found here:

[Form 1095-B](#) [Form 1094-B](#) [Form 1095-C](#) [Form 1094-C](#)

[Instructions for Forms 1094-B and 1095-B](#)

[Instructions for Forms 1094-C and 1095-C](#)

Minimal changes have been made to the draft instructions from 2016 to 2017. Some notable changes are:

- Form 1094-C: A box in Line 22 called "Section 4980H Transition Relief" has been removed. It is not applicable in 2017.
- Forms 1095-B and 1095-C: A paragraph called "Additional information" in the instructions for recipients directs individuals to an IRS webpage providing information on the individual and employer shared-responsibility provisions and premium tax credits.

As of now, no 'good faith' protections apply in the event an employer provides inaccurate or incorrect information – this may or may not change for 2018 filing of 2017 forms. Employers that file 250 or more information returns with the IRS must file the returns electronically.

ACA Reporting Deadlines in 2018

ACA Requirement	Deadline
1095-C Forms Delivered to Employees	January 31, 2018
Paper Filing with IRS	February 28, 2018
E-Filing with IRS	March 31, 2018

Requirements: Applicable large employers (ALEs) (employers that had 50 or more full-time equivalent employees on average during the preceding calendar year) are subject to the ACA's annual information reporting requirements, regardless of whether they sponsor a fully insured health plan or a self-funded plan. By the deadlines above, they should:

- Distribute Form 1095-C to each full-time employee (similar to Form W-2 requirements and on the same distribution schedule).
- File Forms 1095-C with the IRS for each full-time employee, along with Form 1094-C (the transmittal form).

[Click for IRS Q&A regarding 1095 Filing Requirements.](#)

Employers with fewer than 50 employees are exempt from some, but not all, of the ACA reporting requirements. Employers providing self-insured health coverage must file [certain reports](#).

Annually reporting the required information demonstrates to the IRS employer compliance in the shared responsibility provisions ('pay or play'). Employers not in compliance risk penalties.

Information on the shared responsibility provisions can be found [here](#).

To prepare for employer shared responsibility, ALEs should:

- Identifying full-time employees based on the ACA definition of full time;
- Assessment of whether the monthly measurement method or look-back measurement method to determine full-time status is best;
- Updating of plan documents and summary plan descriptions if necessary for the measurement method selected;
- Determination of the appropriate safe harbor to be used [for the affordability calculation](#): W-2, rate of pay or federal poverty line.

The IRS has also issued a form, and [instructions](#), related to small employer Health Reimbursement Accounts (HRAs), used for reconciliation of advance premium tax credits when individuals purchase policies in the ACA Marketplace.