



MEMORANDUM

DATE: January 29, 2016

TO: All Village Employees and Library Employees

FROM: Sharon Tanner, Assistant Village Manager

SUBJECT: **IRS Deadline for Form 1095-B and 1095-C Extended to March 31, 2016**

In December, the Village issued a memo to Village employees summarizing 2016 payroll changes and noted that employees eligible for health insurance coverage from the Village would receive a Form 1095-C from the Village, and in addition to this form, HMO participants would receive a Form 1095-B from BlueCross BlueShield.

The IRS recently announced that it extended the deadline for employers to distribute these forms to employees to March 31, 2016, and the deadline for employers to submit them to the IRS has been extended to May 31, 2016.

Therefore, you will *not* receive a Form 1095-C from the Village at the same time as your W-2 form, and your Form 1095-C will be postmarked no later than March 31, 2016. BlueCross BlueShield is subject to the same deadlines for distributing Form 1095-B to HMO participants.

We encourage you to carefully read the instructions for your tax filing form (Form 1040, etc.) and consult with a tax advisor, if necessary, for guidance on filing your income tax return and reporting your health insurance coverage.

Though the Village cannot offer employees guidance on preparing income tax filings, the following informational materials from the IRS may be helpful:

- Health Care Law & Your Tax Return. Available online: <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Health-Care-Law-and-Your-Tax-Return>
- Gathering Your Health Care Documentation. Available online: <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Gathering-Your-Health-Coverage-Documentation-for-the-Tax-Filing-Season>
- Questions and Answers about Health Care Information Forms for Individuals (Forms 1095-A, 1095-B and 1095-C). *See Question 14 for information regarding filing your tax return if you have not received your 1095-B or 1095-C form.* Available online: <https://www.irs.gov/Affordable-Care-Act/Questions-and-Answers-about-Health-Care-Information-Forms-for-Individuals>

Additionally, our health insurance broker provided the following FAQ:

1. Can I file my tax return if I have not received the form?

Yes, employees may rely on other types of information provided by the coverage provider (i.e., insurance carrier or employer) as proof of coverage, such as ID cards, EOBs, pay stubs.

2. If I file my Form 1040 tax return before I get my Form 1095-C or Form 1095-B and there is a discrepancy in the information, will I be required to file an amended Form 1040?

No, if you are relying on this other information, you need not amend your Form 1040 or send the updated information to the IRS. Just keep it with your tax records.

3. Don't I have to attach Form 1095-C or Form 1095-B to my Form 1040 filing?

No, the forms are for your tax records. The employer will send a copy to the IRS.

4. I bought coverage on the public exchange. Will I get a report?

Yes, employers with at least 50 employees will report its offer history, and the coverage provided on the exchange will be reported by the exchange on Form 1095-A. If you are expecting a 1095-A, you should receive it by February 1. The deadline for Form 1095-A has not been extended.

5. I had coverage with multiple different employers in 2015. As my last employer in 2015, will the form you provide to me consolidate all the information in one place?

No, each employer will provide its own information to you.

6. Since the delivery to me of the Form 1095-C or Form 1095-B may be delayed, will I be allowed to delay filing my Form 1040?

No, the extension of the deadlines for delivering Form 1095-B and Form 1095-C does not change any of the rules for filing Form 1040.

7. Where on my Form 1040 will I use the information from this report?

Line 61 and on Form 8965 if necessary.

The Affordable Care Act ("ACA") requires employers to report information to the IRS and to employees (via these forms) about minimum essential coverage provided under the employer's health insurance plan. Under this mandate, the Village is required to report to the IRS whether individual employees (and their dependents) participate in a Village-sponsored health insurance plan that meets the minimum essential coverage requirements. All of the Village's health insurance plans meet the minimum essential coverage requirements.