



Compliance Alert

2018 ACA Reporting Deadline Extended by 30 Days (Again)

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In what's quickly becoming an annual holiday tradition, today the IRS issued [IRS Notice 2018-94](#) extending the deadline for providing the 2018 Forms 1095-B and 1095-C to individuals by 30 days. This Notice mirrors [the same 30-day extension](#) for the 2017 and 2016 ACA reporting.

The 2018 ACA reporting deadlines are now as follows:

- 2018 Forms 1095-B and 1095-C: Deadline to Furnish to Individuals
Standard Due Date: January 31, 2019
Extended Due Date: March 4, 2019
- 2018 Forms 1094-B and 1094-C (+Copies of Forms 1095-B/1095-C):
Deadline to File with IRS by Paper
Standard Due Date: February 28, 2019
- 2018 Forms 1094-B and 1094-C (+Copies of Forms 1095-B/1095-C)
Deadline to File with IRS Electronically (Required for 250 or More Returns)
Standard Due Date: April 1, 2019 (March 31, 2019 falls on a Sunday)

In language identical to the extension from the last two years, the IRS states the reason for the extension is because they “have determined that a substantial number of employers, insurers, and other providers of minimum essential coverage need additional time beyond the January 31, 2019, due date to gather and analyze the information and prepare the 2018 Forms 1095-B and 1095-C to be furnished to individuals.”

As with the last two years, there was no extension to the standard deadline to file the Forms 1094-B and 1094-C (and copies of the Forms 1095-B and 1095-C) with the IRS because they again found “no similar need.”

Employee Communication Materials

As a reminder, applicable large employers (ALEs) provide the Form 1095-C to individuals. If the plan is fully insured, the insurance carrier also provides the Form 1095-B to covered individuals (in addition to the Form 1095-C provided by the ALE).

If the plan is self-insured, all of the ACA reporting information is included in the Form 1095-C (i.e., such individuals will not receive a Form 1095-B). Non-ALEs sponsoring a self-insured plan must provide covered individuals with the Form 1095-B (not the Form 1095-C).

- **Employee Educational Infographics**
 - [ABD ACA Reporting Infographic for Employees: Fully Insured](#)
 - [ABD ACA Reporting Infographic for Employees: Self-Insured](#)
 - [ABD ACA Reporting Infographic for Employees: Fully Insured and Self-Insured](#)
- **Employee Educational Video Summary**
 - [ABD ACA Reporting Educational Video](#)

No Need to Wait for Form to File Individual Tax Return

The information on the Forms 1095-B and 1095-C shows compliance with the ACA's individual shared responsibility provisions (the individual mandate) by confirming that individuals maintained minimum essential coverage. The information is also relevant for certain individuals who claimed advance payment of the premium tax credit for coverage on the exchange (Marketplace).

As with prior years, the IRS states in the Notice that individuals may file their individual tax return (Form 1040) prior to receiving the Forms 1095-B and/or 1095-C by relying on any other information received from the employer or coverage provider (e.g., insurance carrier).

Note that the Tax Cuts and Jobs Act [effectively repeals the individual mandate as of 2019](#) (see slide 25). Therefore, the 2018 tax filing at the beginning of 2019 will be the final return where the individual mandate will be a concern.

Good Faith Standard Also Extended

Also mirroring the prior two years' guidance, the IRS announced that it is extending the good faith enforcement safe harbor from penalties (generally \$270 per return) for incorrect or incomplete information on the ACA reporting forms. This includes missing and inaccurate SSNs and DOBs.

To take advantage of the extended transition relief, employers must make a good faith effort to comply **and** provide and distribute the forms by the deadlines set out above. So as with prior years, completing the ACA reporting by the applicable deadlines above takes on extra significance.

Future Years

Nothing in the Notice extends the deadlines or good faith standard beyond the 2018 ACA reporting forms. The IRS may no longer provide extensions or the good faith enforcement standard into the next reporting season.

The IRS does note that it is studying whether the effective repeal of the individual mandate will change the §6055 reporting requirements for 2019. That is the information contained in Part III of the Form 1095-C from an ALE with a self-insured plan, on the Form 1095-B from the insurance carrier for a fully insured plan sponsored by an ALE or non-ALE, or on the Form 1095-B from a non-ALE with a self-insured plan. It is not clear what purposes that portion of the ACA reporting requirements would serve after repeal of the individual mandate.

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