December 30, 2015

Happy New Year from the IRS

Yet another end-of-year brings another late-breaking IRS notice.

The IRS has extended the deadlines that apply to employers and coverage providers for reporting health coverage through the 2015 Forms 1094/1095. Specifically, IRS Notice 2016-4:

- Extends the date for providing Forms 1095-B and 1095-C to individuals from February 1, 2016 to **March 31, 2016**; and

- Extends the filing date with the IRS for Forms 1094-B, 1095-B, 1094-C, and 1095-C from March 31, 2016 to June 30, 2016, if filing electronically, and from February 29, 2016 to May 31, 2016 if not filing electronically.

These extensions are automatic, and supersede the 30 day permissive extensions employers were previously able to request. Failure to provide the forms within these new deadlines will subject employers to penalties. However, the IRS could reduce or waive penalties following a showing of reasonable cause. The IRS will consider whether reasonable efforts were taken to prepare for the reporting, to collect the information, to test the ability to transmit the information to the IRS and to take steps to comply with the reporting requirements for 2016.

This extension may result in employees not having their Forms 1094/1095 at the time they file their federal income tax returns. Although these Forms are not required to be attached to income tax filings, the information on these Forms could differ from information individuals had previously received from their employers or coverage providers with respect to whether they have affordable, minimum essential coverage. This Notice provides that individuals who file their income tax returns before receiving these Forms will not be required to refile their returns if the Forms contain information that differs from the information they had relied upon in completing their returns.