

Benefit Innovations Group

1094-C/1095-C IRS Reporting Requirements

Purpose of Form

Employers with 50 or more full-time employees (including full-time equivalent employees) in the previous year use Forms 1094-C and 1095-C to report the information required under sections 6055 and 6056 about offers of health coverage and enrollment in health coverage for their employees. Form 1094-C must be used to report to the IRS summary information for each employer and to transmit Forms 1095-C to the IRS. Form 1095-C is used to report information about each employee. In addition, Forms 1094-C and 1095-C are used in determining whether an employer owes a payment under the employer shared responsibility provisions under section 4980H. Form 1095-C is also used in determining the eligibility of employees for the premium tax credit.

Employers that offer employer-sponsored self-insured coverage also use Form 1095-C to report information to the IRS and to employees about individuals who have minimum essential coverage under the employer plan and therefore are not liable for the individual shared responsibility payment for the months that they are covered under the plan.

Who Must File

Applicable Large Employers, generally employers with 50 or more full-time employees (including full-time equivalent employees) in the previous year, must file one or more Forms 1094-C (including a Form 1094-C designated as the Authoritative Transmittal, whether or not filing multiple Forms 1094-C), and must file a Form 1095-C for each employee who was a full-time employee of the employer for any month of the calendar year. Generally, the employer is required to furnish a copy of the Form 1095-C (or a substitute form) to the employee. For information about transition relief for determining status as an Applicable Large Employer for 2015 (allowing an employer to determine the average number of full-time employees based on a period of at least six consecutive months during 2014), see section XV.D.3 of the preamble to the final regulations under section 4980H.

When To File

You will meet the requirement to file Forms 1094-C and 1095-C if the forms are properly addressed and mailed on or before the due date. If the regular due date falls on a Saturday, Sunday, or legal holiday, file by the next business day. A business day is any day that is not a Saturday, Sunday, or legal holiday.

Generally, you must file Forms 1094-C and 1095-C by February 28 if filing on paper (or March 31 if filing electronically) of the year following the calendar year to which the return relates. For calendar year 2015, Forms 1094-C and 1095-C are required to be filed by February 29, 2016, or March 31, 2016, if filing electronically.

See *Furnishing Forms 1095-C to Employees* for information on when Form 1095-C must be furnished.

How to File

The IRS strongly encourages the quality review of data before filing to prevent erroneous notices from being mailed to statement recipients (or others for whom information is being reported).

Shipping and mailing. If you are filing on paper, send the forms to the IRS in a flat mailing (not folded). If you are sending many forms, you may send them in conveniently sized packages. On each package, write your name, number the packages consecutively, and place Form 1094-C in package number one. Postal regulations require forms and packages to be sent by First-Class Mail.

Keeping copies. Generally, keep copies of information returns you filed with the IRS or have the ability to reconstruct the data for at least 3 years, from the due date of the returns.

Electronic Filing

If you are required to file 250 or more information returns, you must file electronically. The 250-or-more requirement applies separately to each type of form. For example, if you must file 500 Forms 1095-B and 100 Forms 1095-C, you must file Forms 1095-B electronically, but you are not required to file Forms 1095-C electronically. The electronic filing requirement does not apply if you apply for and receive a hardship waiver. The IRS encourages you to file electronically even though you are filing fewer than 250 returns.

Pub. 5165, Guide for Electronically Filing Affordable Care Act (ACA) Information Returns (AIR) for Software Developers and Transmitters (Processing Year 2016), specifies the communication procedures, transmission formats, business rules, and validation procedures for returns filed electronically for calendar year 2015 through the AIR system. To develop software for use with the AIR system, software developers, transmitters and issuers (employers filing their own Forms 1094-C and 1095-C) should use the guidelines provided in Pub. 5165 along with the Extensible Markup Language (XML) Schemas published on IRS.gov.