

New ACA Tax Forms You Should Know

Posted by [Martin Capron](#)

The **Affordable Care Act** of 2010 mandated that everyone must have health coverage and, with a few exceptions, anyone without health coverage could be subject to a fine (benevolently referred to as the [shared responsibility fee](#)). The ACA decreed that the task of finding and fining health coverage scofflaws is the purview of the **IRS**. Consequently, the IRS had to develop several new reporting requirements for both individuals and employer groups about offers of health coverage and enrollment in health plans. These reporting requirements are found under **IRS code section 6055 and 6056** and necessitated the creation of new **tax forms** that both individuals and employer groups might be required to file.



1095-A – For the Individual Exchange or Marketplace. If you have coverage through **Covered California** and you received a **tax-credit** (aka premium subsidy), you are probably already aware of this new form. This tax form is generated by Covered California and shows the amount of “tax-credit” a covered consumer received during the year. Covered California is responsible for sending the 1095-A to the consumer and the IRS. The 1095-A is used to reconcile the consumer’s tax-credit with their 1040 adjusted gross income.

1095-B – **Employees** of employer groups **under 50** “[full-time equivalent](#)” **employees (FTE)** offering “fully-insured” health plans will receive a 1095-B tax form. **The insurer**, not the employer, is responsible for preparing and disseminating this form. The employer is responsible for filing IRS Form 1095-B only if two conditions apply: It offers health coverage to its employees, and it is “self-insured.” This means that the company itself pays its employees’ medical bills, rather than an insurance company. A company that doesn’t meet both conditions won’t have to deal with Form 1095-B

1095-C – **Applicable Large Employers (ALEs)** are responsible for generating the 1095-C form for each employee eligible for coverage and sending it to the employee and the IRS. The Affordable Care Act (ACA) requires **employers** with at least **50 full-time equivalent (FTE) workers** to offer health insurance to their employees. The 1095-C is a tracking statement that provides details about: the coverage offered to the employee, the lowest-cost premium available to the employee and the months of the year when the coverage was available. **All employees eligible for coverage should get a 1095-C**, regardless of whether they actually participate in the employer’s health plan. The forms became mandatory with the 2015 tax year.

1094-C – **Employer** are required under the ACA to send a 1095-C statement to all employees eligible for health coverage and to the IRS. They also must file form **1094-C** – **essentially a “cover sheet”** for the 1095-C form. The 1094-C provides information about: the employer – including address, phone number, and EIN, how many employees it has, the name of the contact person and how many 1095-C forms are being sent.