



The IRS has **Extended** the Deadline to Furnish Forms to Employees

On November 29, 2018, the Internal Revenue Service (“IRS”) released new guidance, which effects the required IRS ACA reporting. Specifically, the guidance extends:

1. the deadline to furnish **Forms 1095-B and 1095-C to employees** and other ‘responsible individuals’ **from January 31, 2019 to March 4, 2019.**
2. and, **past transition relief from penalties** for employers filing or furnishing incorrect or incomplete statements where the employer can show they have made a good faith effort to comply. This relief applies only to incorrect and incomplete information reported on a statement or return and not to a failure to timely furnish or file a statement or return.

[VEHI Website - IRS Reporting Resources Updated](#)

The information and materials located on the VEHI website have been updated with this recent guidance (the recorded webinars, however, have not been re-recorded). Links to both large and small employer reporting resources are below.

Large Employer (ALE) Resources - Click [here](#)

Small Employer Resources - Click [here](#)

Contact: VEHIhelp@ajg.com for assistance

[Additional Information about this Change](#)

Background

The IRS enforces the required ACA filings relating to the employer mandate to offer health plan coverage and the individual mandate to enroll in health plan coverage. Thus, several entities including self-insured employers, are required to file returns with the IRS and furnish information to employees and other covered individuals (Forms 1094/95-B and 1094/95-C).

Deadline to Furnish Statements to Employees and Other ‘Responsible Individuals’ Extended

Employers are required to furnish statements to individuals using Forms 1095-B or 1095-C by January 31 of the calendar year following the calendar year for which they are reporting. The guidance extended this deadline for the 2018 reporting year to March 4, 2019. IRS

regulations generally allow employers to apply for a 30-day extension; however, in light of this automatic extension, no additional extensions will be provided for the 2018 reporting year.

Deadlines for reporting to the IRS using Forms 1094-B, 1095-B, 1094-C, and 1095-C remain the same and must be done by February 28, 2019 if reporting using paper or April 1, 2019 if reporting electronically.

Good Faith Compliance for 2018 Reporting Year

IRS regulations provided transition relief from penalties to reporting entities that could show that they made good-faith efforts to comply with the information-reporting requirements for 2015. This relief applied only to incorrect and incomplete information reported on a statement or return and not to a failure to timely furnish or file a statement or return. This relief was extended for reporting years 2016 and 2017. The new IRS guidance extends the same relief for the 2018 reporting year.

The good faith effort standard applies to both furnishing statements to employees and other 'responsible individuals' and for filing with the IRS.

In determining good faith, the IRS will take into account whether an entity made reasonable efforts to prepare for reporting to the IRS and furnishing statements to employees and other 'responsible individuals', such as gathering and transmitting the necessary data to an agent to prepare the data for submission to the IRS, or testing its ability to transmit information to the IRS.

The IRS noted that because the individual shared responsibility payment is reduced to zero for months beginning after December 31, 2018, the IRS and the Department of Treasury are studying whether and how the reporting requirements should change, if at all, for future years.

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