

▶ An Overview of IRS Form 1095-C

Health care reform, also known as the Affordable Care Act (ACA), went into effect in March 2010. One of the goals of the ACA is to make health insurance available to everyone, regardless of medical history or ability to pay. The ACA also changed the information each individual must provide to the Internal Revenue Service (IRS) when filing income taxes.

As part of the ACA, effective January 1, 2014, each American is required to have health insurance (with a few exceptions). This is called the “individual mandate.” Individuals who don’t have coverage must pay a tax penalty to the IRS called the “Individual Shared Responsibility Payment.” Penalties take effect with the 2015 tax year, and are payable with 2015 income taxes (filed in early 2016).

What Form 1095-C Means for you

When filing 2015 taxes, you will need to show whether you had minimum essential coverage, as defined and required by the ACA, during the year. There is a new line item under “Other Taxes” on the tax return form to document that you have qualifying health coverage. To provide the information needed for tax filing, employers who sponsor self-funded health plans generally must provide a Form 1095-C to employees by March 31, 2016. Form 1095-C demonstrates that your employer offered you the opportunity to enroll in ACA-compliant coverage and, if applicable, you enrolled in the qualifying coverage in 2015. If you did enroll in such coverage (or had ACA-compliant coverage from another source), you will not be subject to a tax penalty.

Upon receiving the form, you should:

- Use it as a reference when completing 2015 taxes (Note: Do not send Form 1095-C to the IRS with your tax return. Your employer will send a copy of Form 1095-C to the IRS.)
- Share it with a tax preparer or advisor, if using one
- Keep a copy with filed tax returns for future reference

Frequently Asked Questions

How will I receive my Form 1095-C?

You will most likely receive your Form 1095-C by mail. Depending on your employer, you may receive your Form 1095-C electronically. Regardless of delivery method, you should receive your form by March 31, 2016.

What if I changed employers in 2015?

If you had more than one employer in 2015, you may receive more than one 1095 tax form. Depending on the health care plan offered by your previous employer, you may receive either a Form 1095-C or 1095-B.

Where can I get more information regarding Form 1095-C?

You may find more information on your Form 1095-C by referring to the IRS publication at <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Understanding-Form-1095C>.

Who can I contact with questions?

Contact your tax advisor for any questions regarding the 1095 tax form(s) you receive. If you do not receive a tax form and think that you are entitled to receive one, please contact your employer.