



## Regulatory Update

### IRS Extends Deadline for Providing 2016 Form 1095s

#### Issue Date: November 2016

The IRS has issued Notice 2016-70 delaying the due date for employers and insurers to provide the 2016 Forms 1095-C and 1095-B to employees and plan participants. The notice extends the deadline 30 days from January 31, 2017, to March 2, 2017. Note that the deadline for filing the required forms with the IRS was not extended.

#### Background

All applicable large employers (those with 50 or more full-time equivalents (FTEs) are required to report whether coverage was offered to any employees who were full-time for at least one month during the year. Also, all employers sponsoring a self-funded medical plan (including employers with less than 50 FTEs) are required to report on all individuals covered under the plan. Employers report by using Forms 1094 and 1095 (B or C). Employers filing 250 or more Form 1095s are required to file electronically.

#### Extension of the Deadline

The due date for providing required statements to employees and plan participants has been extended 30 days from January 31, 2017, to March 2, 2017. However, the deadline for filing the statements with the IRS along with the required Form 1094 remains unchanged at February 28, 2017 (March 31, 2017 if filed electronically).

#### Effect on Individual Taxpayers

The Notice confirms that individuals do not need to provide the IRS with a copy of Form 1095 when filing their tax returns, and should simply keep copies of the forms with their tax records. The notice also points out that individuals who do not receive a Form 1095 in time may rely on other sources of information for purposes of filing their 2016 tax return.

#### Summary

The extra 30 days to provide statements to employees is welcome news. However, the filing deadline with the IRS remains unchanged. Employers should keep moving ahead with reporting preparation as the IRS has made it clear again that penalties (of up to \$250 per form) will apply to those who provided late statements to participants or file late with the IRS.

#### For More Information

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