

FORM 1095-C FREQUENTLY ASKED QUESTIONS



The Affordable Care Act, or Obamacare, includes both the individual mandate and the employer mandate. The individual mandate requires that most Americans have qualifying healthcare coverage or potentially face a fine. The employer mandate requires employers with 50 or more full-time equivalent employees to offer healthcare coverage to their full-time employees or potentially face a fine. Much like the Form W-2 is used to determine whether or not you owe taxes, the IRS will use the information reported from your Form 1095-C to determine whether you (or your employer) may have to pay a fine for failing to comply with the Affordable Care Act.

The Form 1095-C contains information about your healthcare coverage that will be required when completing your tax return. Think of the form as your “proof of insurance” for the IRS.

If you or a family member enrolled in healthcare coverage at any time in 2015, you will receive a Form 1095 from the entity that provided the coverage. For example, if you were determined to be a full-time employee or were enrolled in coverage through your employer, you will receive a 1095-C from your employer.

If you were a full-time employee working an average of 30 or more hours per week and/or were enrolled in health insurance through your employer at any time during 2015, you will receive a Form 1095-C. You’ll need this form to complete your tax return for the 2015 tax year.

If you were not full-time (working an average of 30 or more hours per week in any month) and were not enrolled in healthcare coverage through your employer at any time during 2015, you should not receive a Form 1095-C. You may also not receive a 1095-C if you were not the primary insured. For example, you should not receive a form if you were listed as a spouse or dependent under another family member’s plan.

You will use your Form 1095-C to complete your tax return. However, the IRS has not yet defined exactly what information from the 1095-C you will need to complete your taxes. If you were not eligible for receive a 1095-C, then you will not need one to complete your tax return.

There are three parts to the form:

- **Employee and Employer Information** (Part 1) reports information about you and your employer.
- **Employee Offer and Coverage** (Part 2) reports information about the coverage offered to you by your employer, the affordability of the coverage offered, and the reason why you were or were not offered coverage by your employer.
- **Covered Individuals** (Part 3) reports information about the individuals (including dependents) covered under your self-insured plan.

If you do not have healthcare coverage and do not qualify for an exemption, you may be subject to a fine when you file for your 2015 tax return. Or, if there’s a discrepancy in the information that you and your employer report to the IRS about the healthcare coverage offered to you, your tax return may be delayed.

If you were employed and enrolled in coverage from your employer at any point in 2015, you will need both your W-2 and your 1095-C to complete your tax return.