

Publications

Benefits Alert: 2019 Form 1095-C Update

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Deadline to distribute Form 1095-Cs extended

On December 2, 2019, the IRS published [Notice 2019-63](#), announcing a 31-day extension of the deadline to distribute 2019 Form 1095-Cs to employees.

Automatic

Original Deadline Extended Deadline

Distribution to employees January 31, 2020 March 2, 2020
(31-day extension)

The IRS indicated that because it automatically extended the deadline to distribute Form 1095-Cs, it will not grant or respond to requests for further extension of the distribution deadline.

Deadline to file Form 1095-Cs not extended

The deadline to file 2019 Forms 1094-C and 1095-C with the IRS was not extended. The deadline to file with the IRS is:

Deadline

Electronic filing with IRS March 31, 2020

Paper filing with IRS February 28, 2020

(paper filing only permitted for an entity filing fewer than 250 Form 1095-Cs)

You can get an automatic 30-day extension of the filing deadline by filing IRS Form 8809, *Application for Extension of Time to File Information Returns*, before the original filing deadline.

The IRS also extended a good faith compliance standard to the 2019 Form 1095-Cs. This means that the IRS will not impose penalties as a result of incorrect or incomplete information in Form 1095-Cs (such as incorrect Social Security numbers or dates of birth), provided you made

a good faith effort to comply and the Forms were distributed and filed by the applicable deadlines.

New option to skip distributing Form 1095-Cs to individuals who were not full-time employees

The Tax Cuts and Jobs Act of 2017 zeroed out the individual mandate as of January 1, 2019, but did not repeal the related reporting. IRS Notice 2019-63 nonetheless establishes new “Section 6055 Furnishing Relief,” which permits an applicable large employer member to skip sending Form 1095-Cs to individuals who were not classified as full-time employees in 2019. An employer need not provide a Form 1095-C to an individual if all of the following apply:

1. The individual was not classified as a full-time employee in any month in 2019 (i.e., when the “all 12 months” column” of Line 14 on Form 1095-C is Code 1G). Examples may include covered part-time employees, COBRA qualified beneficiaries and retirees who were not employed in 2019, and outside directors.
2. The employer posts a prominent notice on its website that includes (a) a statement that the individual may receive a copy of his or her 2019 Form 1095-C upon request; (b) an email address where the individual may write to request a Form 1095-C; (c) the street address where the individual may write to request a Form 1095-C; and (d) a telephone number which the individual can call with questions. IRS Notice 2019-63 did not specify when the notice needs to be posted to the website or how long it needs to keep it up.
3. If an individual requests a Form 1095-C, the employer sends it within 30 days.

Section 6055 Furnishing Relief does not allow an employer to skip filing Form 1095-Cs with the IRS. The employer is still required to file all Form 1095-Cs with the IRS, including those for individuals to whom the employer did not mail a Form 1095-C based on Section 6055 Furnishing Relief.

New option to skip distributing Form 1095-Bs

A multiemployer plan or insurer that would otherwise have to mail Form 1095-Bs to individuals has the option to skip the mailing if it provides the website notice (as described above) and mails a Form 1095-B within 30 days of a request from an individual. As is the case for Form 1095-Cs, the plan or insurer is still required to file all 2019 Form 1095-Bs with the IRS.

State Filings

New Jersey and Washington D.C. have enacted individual mandates (imposing a tax penalty on residents who fail to maintain medical coverage), to replace the federal individual mandated that was zeroed out by the Tax Cuts and Jobs Act. Employers and plans are supposed to file residents' 2019 Form 1095-Cs and 1095-Bs with New Jersey (by March 31, 2020) and the District (by June 30, 2020). Massachusetts continues to require employers to Form MA 1099-HC. Employers should expect to make more state filings in 2020.