

## Publications

### Labor and Employment Alert: 30 Extra Days to Distribute 2016 Form 1095-Cs to Employees

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On November 18, 2016, the IRS announced a 30-day extension of the deadline to distribute 2016 Form 1095-Cs to employees.

#### Original Deadline

#### Automatic Extended Deadline

Distribution to employees

January 31, 2017

March 2, 2017 (30-day extension)

The IRS did not extend the deadline to file 2016 Forms 1094-C and 1095-C with the IRS. However, you can get an automatic 30-day extension of the filing deadline by filing Form 8809, *Application for Extension of Time To File Information Returns*, before the original filing deadline.

#### Original Deadline

#### File Form 8809 for Extended Deadline

Electronic filing with IRS

March 31, 2017

April 30, 2017

Paper filing with IRS\*

February 28, 2017

March 30, 2017

\* Paper filing is only permitted if an entity is filing fewer than 250 Form 1095-Cs.

The IRS also extended a good faith compliance standard to the 2016 Form 1095-Cs. This means that the IRS will not impose penalties as a result of incorrect 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.

Form 1095-C reports an employee's eligibility for, and enrollment in, group health coverage. The IRS is supposed to use this information to administer the employer pay or play penalties, the federal subsidies for the purchase of individual health insurance through a public exchange, and the individual mandate to maintain health coverage. We are monitoring the development of proposals to repeal and replace portions of the Affordable Care Act. Until Congress changes the law and given the substantial penalties for failure to distribute and file tax forms by the applicable deadlines, employers should continue with preparations for 2016 Form 1095-Cs.

***A note about the 2016 Form W-2 filing deadline:*** Form W-2s will not be distributed and filed on the same schedule as Form 1095-Cs. The deadline for distributing Form W-2s to employees – and filing Form W-2s with the IRS – is January 31, 2017. In earlier years, the IRS filing deadline for Form W-2s was March 31 (February 28 for paper). However, the IRS filing deadline for Form W-2s was moved up to January 31, starting with the 2016 Form W-2s, in the hope that earlier access to information might help the IRS better detect fraudulent tax returns.