

# IRS Repeats Modifications to ACA Reporting for 2019

By: Alex Mattingly on November 30, 2018 on [graydon.law](http://graydon.law)

**The IRS again announced** that it is extending the deadline for large employers (generally those with 50 or more full-time equivalent employees in the previous year) and self-insured group health plans to distribute their Forms 1095-C to employees and plan participants. The normal deadline to distribute Forms 1095-C is January 31<sup>st</sup>. This IRS announcement delays the deadline for distributing the 2018 forms until March 4, 2019. Due to this automatic extension, the IRS will not be granting additional 30-day extensions upon request. Therefore, employers must ensure that they distribute their Forms 1095-C to all full-time employees and participants in their self-funded plans no later than March 4th.

Similar to last year, the IRS is not extending the date for filing Form 1094-C and copies of Forms 1095-C with the IRS. For employers that are filing electronically, this deadline remains April 1, 2019 (due to March 31<sup>st</sup> being a Sunday), and for employers who are filing in paper form (which is only permissible if you are filing 250 or fewer Forms 1095-C), the deadline remains February 28, 2019.

The IRS also extended the good faith transition relief for another year, which is also very welcome news for employers and vendors. This good faith transition rule provides relief from the reporting penalties assessed on employers if they can show that they made a good-faith effort to comply with the requirements, but still had incorrect or incomplete information on their Forms. In determining whether an employer acted in “good faith,” the IRS will consider whether an employer made reasonable efforts to prepare for reporting the required information to the IRS and furnishing it to employees, such as gathering and transmitting the necessary data to an agent to prepare the data for submission to IRS, or testing its ability to transmit information to IRS. It is important to note that, like previous years, this good faith relief is only available to those employers who timely submitted Forms 1094-C and 1095-C. It is not available for failure to timely furnish or file a Form. Therefore, employers who are still struggling to gather correct information by the deadline should timely file their Forms with the incomplete or incorrect information and correct it later (opposed to filing correct forms late).

Lastly, the IRS indicated future changes might be made to the ACA reporting requirements. The IRS is studying what changes, if any, need to be made to the reporting requirements

due to the changes in law made by the Tax Cuts and Jobs Act that reduced the individual shared responsibility payment to zero for months beginning after December 31, 2018. We will keep you updated on any future changes issued by the IRS.