



## **BENEFIT NEWS BRIEFS**

### ***IRS Announces That ACA Information Returns Reported on Forms 1094 and 1095 May Continue To Be Filed After June 30, 2016***

The IRS **just announced** that *Affordable Care Act (ACA)* information returns and transmittals that are electronically filed through the ACA Information Return (AIR) system may continue to be filed after June 30, 2016.

According to the IRS notice, entities that are applicable large employers (ALEs), self-insured employers or other health coverage providers, had a deadline to electronically file ACA information returns with the IRS by midnight ET on June 30, 2016. However, the IRS has announced that the AIR system will remain up and running after the deadline. Entities that were not able to submit all required ACA information returns by the June 30, 2016 deadline should complete the filing of the returns after the deadline.

In addition, the IRS announced that entities can still complete required system testing after June 30, 2016. According to the IRS, if any transmissions or submissions were rejected by the AIR system, filers have 60 days from the date of rejection to submit a replacement and have the rejected submission treated as timely filed. Filers that submitted and received "Accepted with Errors" message may continue to submit corrections after June 30, 2016.

The IRS continued stating:

The IRS is aware that some filers are still in the process of completing their 2015 tax year filings. As is the case for other information returns, penalties may be associated with the submission of the ACA information returns for failure to timely file required returns. As the IRS has publicly stated in various forums in recent months, filers of Forms 1094-B, 1095-B, 1094-C and 1095-C that miss the June 30, 2016 due date will not generally be assessed late filing penalties under Section 6721 if the reporting entity has made legitimate efforts to register with the AIR system and to file its information returns, and it continues to make such efforts and completes the process as soon as possible. In addition, consistent with existing information reporting rules, filers that are assessed

penalties may still meet the criteria for a reasonable cause waiver from the penalties.

Filers that do not file electronically and missed the May 31, 2016 paper filing deadline for *ACA* information returns should also complete the filing of the paper returns as soon as possible.

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