

Guidelines Finalized for Electronic Reporting Under Sections 6055 and 6056

On Aug. 18, 2015, the Internal Revenue Service (IRS) issued a finalized test package and guidelines for employers reporting under Internal Revenue Code Sections 6055 and 6056. The new guidelines and test package are intended to help employers and technology companies securely facilitate the electronic transmission of these reports.

Employers filing 250 or more returns under Sections 6055 and 6056 are required to electronically report information regarding the health plan coverage they provide (or do not provide) to employees. Additionally, employers filing less than 250 returns during the 2015 calendar year may file in paper

form, but are permitted (and encouraged) to file electronically.

The finalized guidelines, titled [Publication 5165, Guide for Electronically Filing ACA Information Returns for Software Developers and Transmitters](#) (Pub. 5165), provide technical information and standards for the facilitation of electronic reporting for 2015 through the ACA Information Returns (AIR) program. The AIR program is scheduled to become available on Oct. 22, 2015. Employers submitting forms electronically through the AIR program must obtain log-in credentials by completing the [e-Services Registration](#). Additionally, employers must log in within 28 days in order to confirm their registration and activate their accounts.

Information on the ACA Assurance Testing System (AATS) is provided in [Pub. 5164, Test Package for Electronic Filers of ACA Information Returns](#). Testing scenarios for electronic reporting are currently available through the AATS.

A waiver from the electronic reporting requirement was proposed in the 2015 draft instructions for reporting under Sections 6055 and 6056. In order to receive a waiver, employers must submit [Form 8508, Request for Waiver From Filing Information Returns Electronically](#) at least 45 days before the return due date. Employers that are required to file electronically but fail to do so without an approved waiver may be fined a penalty of up to \$250 per return.

DID YOU KNOW?

As recent college graduates continue to enter the workforce with student loan debt, some employers are beginning to consider providing student loan repayment assistance as an employee benefit to help attract and retain these employees. Employers may choose to add student loan management services, such as matching a portion of employees' student loan payments, to employee benefits packages.

According to a recent survey conducted by Iontuition, 49 percent of respondents indicated that they would prefer employer student loan repayment assistance over more traditional employee benefits, such as a 401(k) plan.

IRS Clarifies Section 6055 Reporting for HRAs

On Sept. 17, 2015, the IRS issued [2015 final instructions for Forms 1094-B and 1095-B](#), as well as [instructions for Forms 1094-C and 1095-C](#). The finalized instructions provide clarification on Section 6055 reporting requirements for employers that provide health reimbursement arrangements (HRAs) to their employees.

The previous draft instructions indicated that separate Section 6055 reporting would be required for HRAs offered by employers that also offered insured major medical plans.

The final instructions clarify that an employer with an insured major medical plan and an HRA is not required to report coverage under the HRA if the eligible individuals are enrolled in the insured major medical plan. However, employers must report HRA coverage for eligible individuals who are not enrolled in their employers' major medical plans (for example, employees who are enrolled in a spouse's plan).

