

BREAKING NEWS

For Immediate Release:

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Employee Benefits
MMA Western Edition

EXTENSION TO FURNISH FORM 1095-Cs (AND FORM 1095-Bs) TO EMPLOYEES/INDIVIDUALS AND GOOD FAITH TRANSITION RELIEF TO EMPLOYERS/INSURERS

The Internal Revenue Service (IRS) issued Notice 2018-06 (hereinafter referred to as the “Notice”) on December 22, 2017. The Notice provides an extension for **furnishing** Form 1095-Cs (and Form 1095-Bs) to employees and insureds, but does not provide an extension for **filing** these Forms with the Internal Revenue Service (IRS). This Notice also grants “good faith” relief to employers filing their 2017 Forms 1094-C and 1095-Cs, or insurers filing their 2017 Forms 1094-B and 1095-Bs (collectively referred to as “Forms”).

Executive Summary:

- The Notice extends the deadline for employers and insurers to **furnish** Form 1095-C and Form 1095-B to employees/insureds, to **March 2, 2018**.
- This Notice does **not** extend the current deadline for **filing** an employer’s Forms 1094-C and 1095-Cs (or insurers Forms 1094-B and 1095-Bs) with the IRS, which continue to be due to the IRS by **April 2, 2018** for employers/insurers who file **electronically**, and **February 28, 2018** for employers/insurers who file **paper copies** of these Forms.
- The Notice grants “good faith” relief to employers/insurers filing their 2017 Forms. However, employers/insurers will not be provided penalty relief if they intentionally furnish or file inaccurate and incomplete Forms, or file and furnish these Forms after the deadline for furnishing/filing these Forms.

Transition Relief to Furnish Form 1095-C/Form 1095-B to Employees/Individuals

The Notice extends the deadline for employers and insurers to **furnish** Form 1095-C and Form 1095-B to employees/insureds, to **March 2, 2018**. Originally, these Forms were required to be furnished to employees/insureds by January 31, 2018. This Notice does **not** extend the current deadline for **filing** an employer's Forms 1094-C and 1095-Cs (or insurers Forms 1094-B and 1095-Bs) with the IRS, which continue to be due to the IRS by **April 2, 2018** for employers/insurers who file **electronically**, and **February 28, 2018** for employers/insurers who file **paper copies** of these Forms.

Penalty Relief for "Good Faith"

The Notice also grants "good faith" relief to employers and insurers filing their 2017 Forms. This "good faith" relief provides employers (and insurers) penalty relief for furnishing or filing inaccurate or incomplete Forms, so long as the employer/insurer furnishes/files these Forms in good faith. However, employers/insurers will not be provided penalty relief if they intentionally furnish or file inaccurate and incomplete Forms, or file and furnish these Forms after their respective deadlines.

Conclusion

Although employers are provided transition relief in furnishing Form 1095-Cs to their employees, employers should still attempt to deliver the Form to employees as soon as possible. Also, despite "good faith" relief to employers filing their Form 1094-C and Form 1095-Cs, employers should do as much as they can to avoid any missing or incorrect information on these Forms.

No Action Required

Employers and Insurers should be aware of the extension of good faith compliance relief. In addition, employers and insurers should be aware of the extension of the deadline to furnish Forms 1095-C and 1095-B to employees and insureds by March 2, 2018.

For Notice 2018-06, see: <https://www.irs.gov/pub/irs-drop/n-18-06.pdf>