

THE BEACON

Exclusive Compliance Alerts from MZQ Consulting

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IRS EXTENDS ACA DISTRIBUTION DEADLINE

On Friday, the Internal Revenue Service (IRS) released a notice extending the deadline to furnish Forms 1095 B & C to employees and covered individuals. Employers subject to the employer mandate reporting requirements now have until **March 2, 2021** to send ACA notices to employees.

Prior to this extension, the deadline for distribution had been January 31, 2021. The notice does not change the deadline of March 31, 2021 for electronic filing of Forms 1094 and 1095 B and C with the IRS. Paper filers will still have to meet the February 28, 2021 deadline.

The IRS will not enforce the requirement that individuals get a paper Form 1095-B for 2020 since they are not needed for tax purposes this year, however any entity that decides not to distribute these forms must meet other standards. They will need to post to their website an availability notice for Form 1095-B and provide a statement within 30 days to any covered person who requests a copy.

Additionally, the IRS has extended its “good faith transition relief” with respect to reporting. Under this relief, employers will not be penalized for filing inaccurate or incomplete forms if they can show they made good-faith efforts to comply with the reporting rules. Employers should still be mindful of the need to complete forms as accurately as possible, particularly since the IRS continues to actively assess employer mandate penalties.

The team at MZQ is available to help with any questions you may have about the employer mandate and its related reporting requirements. Please feel free to forward questions to acaquestions@mzqconsulting.com.

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