

February 11, 2025

Alert: Upcoming ACA Form Reporting Deadlines and Important Update

Background

Applicable large employers (ALEs) with 50 or more full-time employees (FTEs), including full-time equivalent employees, in the prior year must comply with IRC Section 6056 reporting in early 2025. Specifically, ALEs must complete and file Form 1095-C for full-time employees with the IRS by Sunday, March 31, 2025. The form should include details regarding whether the employee was offered minimum value, affordable coverage during 2024.

Additionally, employers with a self-insured plan during 2024 must comply with Section 6055 reporting in 2025. Self-insured ALEs must complete Section III of Form 1095-C detailing which months the employee (and any applicable spouse and dependents) had coverage under the employer's plan. Self-insured employers with fewer than 50 FTEs must complete Form 1095-B with such information.

Alternative Manner of Furnishing Health Coverage Information Forms (“Upon Request” Option)

Furnishing Forms 1095-B and Forms 1095-C to Part-time and Non-employees

If a self-insured employer has fewer than 50 FTEs, an alternative remains available for distributing Form 1095-B to individuals. These small employers are permitted to post a clear and conspicuous notice on a website (accessible to individuals who may request a form) of the document's availability and the necessary contact information (email address, physical address, and phone number) to request it. Any such request must be fulfilled within 30 days. This option is also available to deliver Form 1095-C to part-time and non-employees.

Important Update: Furnishing Form 1095-Cs to Full-time Employees – Paperwork Burden Reduction Act

Under prior guidance, the Forms 1095-C must be delivered to full-time employees by March 3, 2025, by mail, hand delivery, or electronic delivery (the latter only if proper consent in accordance with IRS instructions). However, under the Paperwork Burden Reduction Act (PBRA), which was recently enacted, employers have the option to provide Form 1095-C to such employees only upon request. (For more information on changes to ACA reporting under the PBRA and the Employer Reporting Improvement Act, please see our related [article](#). Such requests must be fulfilled by January 31 or 30 days after the date of the request, whichever is later. However, employers must give employees timely notice of this option, in accordance with requirements issued by the IRS. The IRS has not yet issued guidance regarding the specific notice requirements with respect to Forms 1095-C for full-time employees; accordingly, employers wishing to take advantage of this new relief in 2025 should consult with their legal counsel for direction.

It is important for employers to weigh the pros and cons of using the upon request option for furnishing Forms 1095-C to full-time employees for the 2024 reporting period. For many employers, it may make sense to maintain past automatic delivery practices for this 2024 reporting year. At this late date, employers likely have engaged ACA reporting vendors to distribute Forms 1095-C. Given the short timeframe (the Forms must be distributed by March 3) and the lack of specific IRS guidance, the conservative approach is to distribute the 2024 Forms 1095-C as usual and consider the upon request option next year, when clearer instructions are expected. Also, note that state individual mandates in CA, DC, MA, NJ, and RI generally require employers to distribute Forms 1095-C/B to employees residing in those states by separate annual deadlines.

That said, some employers may wish to adopt the upon request option for providing Forms 1095-C to full-time employees in the 2024 reporting year. The challenge for these employers is that the IRS has not yet provided specific instructions on the content, manner, or timing of the notice that would be considered adequate for advising employees of their opportunity to request a Form 1095-C. In the absence of instructions, some employers may look to existing IRS regulations related to furnishing Form 1095-B or Form 1095-C to part-time and other non-employees in an alternative manner.

In cases such as this, where a statute has been enacted but guidance has not yet been issued, the IRS generally takes the position that employers should operate in “good faith compliance with a reasonable interpretation of the statutory rules.” Some experts might construe adopting the methods set out in the IRS Instructions for Form 1095-B or Form 1095-C for part-time and non-employees as good faith compliance. As noted above, employers wishing to adopt the upon request option should review this approach with legal counsel.

Electronic IRS Filing Requirement

Finally, as a reminder, employers that file 10 or more returns of any type (i.e., counting Forms 1094-B/1095-B, 1094-C, W-2, and 1099 together) to the IRS in a calendar year must do so electronically absent a hardship waiver; please see our [article](#) for more information on this change that commenced last year. For those employers still able to file by paper, the filing deadline is February 28, 2025.

For further information on the reporting requirements, please refer to the IRS forms and instructions below and ask your broker or consultant for a copy of the NFP publication *ACA: FAQs for Employer Reporting Under Sections 6055 and 6056*.

[*Instructions for Forms 1094-B and 1095-B \(2024\) | Internal Revenue Service*](#)

[**2024 Form 1094-B**](#)

[**2024 Form 1095-B**](#)

[*Instructions for Forms 1094-C and 1095-C \(2024\) | Internal Revenue Service*](#)

[**2024 Form 1094-C**](#)

[**2024 Form 1095-C**](#)