

## ST14-21a – Affordable Care Act (ACA) Information Requirements

**You must apply the updates from Pub 4491-X to your copy of Pub 4012 before proceeding.**

Before beginning the return, ensure that taxpayer has brought all the necessary documentation / information you will need to complete the return. The following questions will help determine this. Almost everything discussed here is new for TY2014, so be prepared to explain some of the new terms (see Pub 5157 Glossary) and to help them understand why we need this information. If you do not have the answers necessary to complete the return or the return might be out of scope, consult your Site Coordinator about how to proceed.

### **Special case: If taxpayer (and spouse, if MFJ) can be claimed on someone else's return:**

- There is no need to ask these questions for this return
  - ACA tax issues will be handled on the return for the person who can claim them.

### **For taxpayer, spouse, and each person that can be claimed as a dependent:**

- Did each person have health insurance last year?
- For which months was the health insurance in effect for at least one day during the month?
- Was the coverage Minimum Essential Coverage (MEC) (see Pub 4012, Page ACA-4)?
- Was the health insurance obtained through the Marketplace (aka the Exchange / healthcare.gov / Obamacare)?

### **For any person who did not have health insurance during a particular month:**

- Did the person receive an exemption from the Marketplace?
  - Does the person have a letter from the marketplace with an exemption certificate number?
- Does the person qualify to claim an exemption on their tax return (see Quick Reference Guide‡)?
  - For some exemptions, you may need to know “Household Income” (see below)
  - For exemption Codes A & G (coverage is considered unaffordable), you may need to know:
    - Lowest cost of a self-only policy offered by employer and Lowest cost of a family plan offered by employer
    - Lowest Cost Bronze Plan and Second Lowest Cost Silver Plan from the Marketplace (available online via the HHS Tools page)

### **For any person who had health insurance coverage through the Marketplace:**

- Does the person have a Form 1095-A from the Marketplace?
- You will need to know “Household Income” if coverage was purchased through the Marketplace.
- Was the Marketplace policy a Shared Policy (i.e. - it covers at least one person that is in the taxpayer's tax family and at least one person that is not in the taxpayer's tax family for ACA purposes)?
  - If so, the return is out of scope for us.
- Did the taxpayer get married during the tax year?
  - If so, there is an alternative calculation that could be used if the taxpayer has to repay any of the Advance Premium Tax Credits that were paid by the Marketplace to the insurance company during the year for the taxpayer's insurance premiums. If the taxpayer wishes to use this alternative calculation, the return is out of scope for us

### **Calculating “Household Income” may require information about dependent's income**

- Household Income = Modified AGI (MAGI) for the taxpayer PLUS(+) MAGI for all dependents whose income exceeds the filing thresholds on Pub 4012, Page ACA-7.
  - MAGI for dependents who do not exceed the thresholds on Page ACA-7 do NOT need to be included in household income – even if they are required to file or should file for other reasons.
  - MAGI for form 8965 (Exemptions and Shared Responsibility Payment) is not exactly the same as MAGI for form 8962 (Premium Tax Credit)

‡ For exemptions, we reference the Quick Reference Guide from the NTTCC (full name: “Affordable Care Act Exemptions – 2014 Quick Reference Guide”) instead of Pub 4012, Page ACA-5. (Available on the Preparer page)

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‡ For exemptions, we reference the Quick Reference Guide from the NTTC (full name: “Affordable Care Act Exemptions – 2014 Quick Reference Guide”) instead of Pub 4012, Page ACA-5. (Available on the Preparer page)

Follow the steps below to complete the ACA part of the return:

Part/Line #	Counselor Action	TW Action
<b>Step 1 – Interview taxpayer and Complete health insurance section of Intake Sheet</b>		
<b>Part IV</b>	<p>For taxpayer, spouse, and each dependent, check the appropriate box on Intake Sheet – Had Health Care Coverage:</p> <ul style="list-style-type: none"> <li>- For the entire year</li> <li>- For part of the year</li> <li>- No health insurance at all</li> <li>- Qualify for an exemption</li> </ul> <p>Note: Use “ACA Information Requirements” to:</p> <ul style="list-style-type: none"> <li>- Help answer the above questions,</li> <li>- Make sure you have information needed to finish the return, and to</li> <li>- Identify potential out of scope situations</li> </ul>	
<b>Step 2 – Complete rest of tax return (and run diagnostics) before dealing with ACA</b>		
<b>Sch A A Detail</b>	<p>Do NOT include any amount for premiums related to Marketplace policies on the A Detail screen yet – form 8962 needs to be completed to get the correct amount. (Any manual adjustments to NJ-1040 Line 30 should also be deferred.)</p> <p>All the other items for Sch A and A Detail should be included as usual (including any co-pay amounts for Marketplace policies).</p>	
<b>Main Info</b>	<p>If the taxpayer (AND spouse if MFJ) can be claimed as a dependent on someone else’s return, then all ACA issues will end up being dealt with on the return of the person claiming the taxpayer (or spouse) as a dependent.</p> <p><b><u>In this case:</u></b></p> <ul style="list-style-type: none"> <li>- Ensure that the box on the Main Info screen is checked to indicate that taxpayer (and spouse) can be claimed on another person’s return.</li> <li>- <b>STOP – You’re done with ACA for this return.</b></li> </ul>	ACA Wkt will not be red in forms tree since no ACA action is required on this tax return

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Step 3 – 1040 ACA Wkt – Starting point for ACA		
<p><b>Lines for taxpayer, spouse &amp; each dependent</b></p>		<p>TW populates the names of the taxpayer, spouse, and dependents with codes 1, 2, or 3 on Main Info screen</p> <p>TW will not include any non-dependent with code of 0 since, for ACA purposes, that person is the responsibility of the taxpayer who claims him/her as a dependent</p>
<ul style="list-style-type: none"> <li><b>First row of boxes for each person</b></li> </ul>	<p>For each person listed: Check Full box if person had MEC for at least 1 day of every month (whether through the Marketplace or through any other coverage)</p>	<p>If Full box is checked for every person, TW will check box labeled "Full-year coverage" on 1040 line 61.</p>
	<p>For each person listed: Check Mkt box if the person had health insurance through the Marketplace for any part of any month during the year</p>	<p>TW populates Form 8962 in forms tree if Mkt box is checked for any person</p>
	<p>Frequently, the whole family will have MEC all year (Full box is checked for every person listed), and no one will have purchased their coverage through the Marketplace (Mkt box is not checked for any person listed) so no additional ACA forms need to be completed.</p> <p><b>In this case: STOP – You're done with ACA for this return</b></p>	
	<p>For each person listed: Check Exm box if you think the person might qualify for an exemption for at least one month during the year (see Quick Reference Guide‡)</p>	<p>TW populates Form 8965 in forms tree</p>
	<p>Do NOT check any Monthly boxes at this point.</p>	
<ul style="list-style-type: none"> <li><b>Second row of boxes for each person</b></li> </ul>		<p>TW automatically checks boxes for months in which each person was under the age of 18 at the beginning of the month (ISRPs amounts are lower for a person under age 18)</p>
<ul style="list-style-type: none"> <li><b>Line 7 (top box)</b></li> </ul>	<p>For purposes of the ISRPs on the ACA Wkt and exemptions on Form 8965, MAGI = AGI (line 37) + tax-exempt interest (line 8b) + foreign earned income (out of scope for us)</p>	<p>TW calculates the taxpayer and spouse part of household income, based on the numbers on the tax return, and populates the top box on line 7. Their part of household income equals their Modified Adjusted Gross Income (MAGI)</p>
<ul style="list-style-type: none"> <li><b>Line 7 (lower box)</b></li> </ul>	<p>Enter the total MAGI for all dependents listed on the ACA Wkt who have income above the filing requirement thresholds shown on Pub 4012, Page ACA-7. (Note: Use a Scratch Pad to document this)</p> <p>Do not include MAGI for dependents with income below these thresholds – even if they must or should file for other reasons</p>	<p>TW will add the dependents' MAGI you entered to the taxpayer/spouse MAGI it calculated. The top box on line 7 will now be household income for everyone in the tax family</p>

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<b>Step 4 – Form 8965 – If Exm box is checked for any person on ACA Wkt, Form 8965 must be completed to claim an exemption (Skip this step entirely if Exm box is not checked for any listed person on 1040 ACA Wkt)</b>		
<b>Part I</b>	Marketplace-Granted Coverage Exemptions for Individuals (shown in a letter that taxpayer should have received from the Marketplace)	
• <b>Column a, b, c</b>	List the name, SSN, and the Exemption certificate number of any person who applied for and was granted an exemption from the Marketplace	
<b>Part II</b>		
• <b>Filing threshold</b>		TW determines the filing threshold based on the filing status and ages of the taxpayer and spouse
• <b>Household income from ACA Wkt</b>		TW transfers the household income from 1040 ACA Wkt line 7
• <b>Gross income</b>		TW calculates the gross income on this return. Gross income does not include any dependents' income. It also includes only the income from Sch C (no expenses) and no capital losses from Sch D
• <b>Line 7a</b>	Use the numbers in the above boxes to determine if household income is below the filing threshold – check either Yes or No.	
	If Line 7a was marked Yes, taxpayer can claim a full-year exemption for the entire tax family. In this case, we don't need to do anything else on 8965 and we can <b>Skip directly to Step 5</b>	
• <b>Line 7b</b>	Use the numbers in the above boxes to determine if gross income is below the filing threshold – check either Yes or No.	
	If Line 7b was marked Yes, taxpayer can claim a full-year exemption for the entire tax family. In this case, we don't need to do anything else on 8965 and we can <b>Skip directly to Step 5</b>	

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<p><b>Part III</b></p>		
<ul style="list-style-type: none"> <li>• <b>Lines 8 - 13</b></li> </ul>	<p>Check the Quick Reference Guide† to determine if any member of the tax household qualifies for any other exemption.</p> <p>If an exemption can be claimed on the tax return, enter the person’s name, Social Security number, and exemption code. Check the Full box if the exemption is for the entire year, or check the boxes for the months for which the exemption applies.</p> <p>If an exemption must be granted by the Marketplace, refer the client to <a href="http://healthcare.gov">healthcare.gov</a></p> <p>Note: The “Affordability” exemptions (Code A or Code G) involves some unusual information requirements and some fairly complex (and time consuming) analysis – only those with time and a thorough understanding of the issues should attempt this. There is a link on the Preparer page to a tool (ACA Affordability Calculator) that can help with this.</p>	
		<p>Note: Entries on the TW 8965 screen for exemptions are required to document any exemptions claimed on the return, but do NOT affect the checked boxes and resulting ISRP calculations on the 1040 ACA Wkt. You must manually make sure that the top part of the 1040 ACA Wkt is filled in consistently with your entries on the 8965 screen – this is done in the next Step.</p>

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Step 5 – Finish 1040 ACA Wkt – If any person listed on 1040 ACA Wkt does not have insurance and does not qualify for an exemption for any month, the top of the 1040 ACA Wkt must be completed correctly to control the calculation of the Individual Shared Responsibility Payment (ISRP)		
	<p>Once you have determined if there are any applicable exemptions, you must complete the top of the 1040 ACA Wkt.</p> <ul style="list-style-type: none"> <li>- Check None for any person who had no MEC and no exemption all year (uncheck the Exm box if it is checked)</li> <li>- Check the appropriate Monthly box(es) for any person who had no MEC and no exemption for that month.</li> <li>- For any person who does not have the Full box checked and who can claim an exemption for at least one month, make sure the Exm box is checked</li> </ul>	<p>TW calculates Individual Shared Responsibility Payment (ISRP) at bottom of ACA Wkt – every line with the None box checked or any Monthly boxes checked will add \$\$ to the ISRP</p> <p>Note: When you check the None box, TW does not automatically check any Monthly boxes, but does automatically update the calculated boxes at the bottom of the screen as if all 12 Monthly boxes were checked</p>
• Lines 1 - 4		TW totals up the number of children and the number of adults who will be subject to ISRP for each month
• Line 5		TW calculates the total ISRP based on the flat dollar amount (\$95 per adult, 1/2 that amount per child, maximum of \$285)
• Lines 6 - 10		TW calculates the total ISRP based on 1% of household income that is above the filing threshold for taxpayer's filing status
• Lines 11 - 14		<p>TW calculates the higher of the flat dollar amount or 1% of income above the filing threshold</p> <p>The ISRP is capped at the cost of the national average premium for the bronze level health plan available through the Marketplace for 2014 (see Pub 4012 Page ACA-10)</p> <p>TW transfers the ISRP to 1040 line 61 in the Other Taxes section</p>

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<p><b>Step 6 – Form 8962 – If Mkt is checked for any person on ACA Wkt, Form 8962 must be completed to calculate the Premium Tax Credit (PTC) and to reconcile the actual PTC with any Advance PTC payments sent to the health insurance company during the year to help offset the premiums (Skip this step entirely if Mkt box is not checked for any listed person on 1040 ACA Wkt)</b></p>		
<p><b>"Check here if applying for relief" line</b></p>	<p>Generally, a person filing as Married Filing Separately is not eligible to claim the PTC. However, there can be an exception if the person is an abandoned spouse or a victim of domestic violence. To claim this exception to the MFJ requirement, check the line at the top of Form 8962</p>	
<p><b>Part 1</b></p>		
<p>• <b>Line 1</b></p>		<p>TW calculates the family size, based on taxpayer, spouse and dependents. (Does not include any person listed on Main Info screen with a code of 0 for nondependent)</p>
<p>• <b>Line 2a</b></p>	<p>For purposes of the PTC calculation on form 8962, MAGI = AGI (line 37) + tax-exempt interest (line 8b) + tax exempt part of Social Security (line 20a – 20b) + foreign earned income (out of scope for us)</p>	<p>TW calculates the MAGI for the taxpayer and spouse, based on the numbers on the tax return NOTE: Definition of MAGI is different for PTC than it is for ISRP/exemptions: PTC MAGI also includes tax-exempt part of Social Security</p>
<p>• <b>Line 2b</b></p>	<p>Enter the total MAGI for all dependents listed on the ACA Wkt who have income above the filing requirement thresholds shown on Pub 4012, Page ACA-7. (Note: Use a Scratch Pad to document this) Do not include MAGI for dependents with income below these thresholds – even if they must or should file for other reasons</p>	<p>TW cannot transfer the MAGI for dependents from ACA Wkt line 7, since the definition of MAGI on the ACA Wkt is different than the definition of MAGI on Form 8962. Therefore, counselor must calculate dependents' MAGI for PTC and enter on line 2b</p>
<p>• <b>Line 3</b></p>		<p>TW calculates household income by adding MAGI from lines 2a + 2b</p>
<p>• <b>Line 4</b></p>	<p>Check box for "Other 48 states and DC"</p>	<p>TW populates the Federal poverty line (FPL) appropriate for NJ</p>
<p>• <b>Line 5</b></p>		<p>TW calculates the % of FPL for the household income</p>
<p>• <b>Line 6</b></p>	<p>If the calculated answer on line 6 is No, then taxpayer is not eligible for PTC: If taxpayer received advance payment of PTC, Skip lines 7 and 8 and go to line 9 If taxpayer did not receive any advance payment of PTC, STOP – you're done with ACA</p>	<p>TW checks YES or NO to question "Is % on line 5 less than or equal to 400%?" If answer is YES, TW will continue to calculate PTC</p>

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	<p>If % on line 5 is less than 100%, answer the question, "Did the taxpayer qualify for the PTC under the requirements in the instructions?"</p> <p>See 8962 instructions on irs.gov for specific requirements</p> <p><b>If the answer to this question is No, STOP – you're done with ACA</b></p>	
• <b>Lines 7 &amp; 8</b>		TW calculates the annual and monthly contribution amounts for health care
<b>Part 2</b>		
• <b>Line 9</b>	<p>Answer YES or NO to the question, "Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation?" (See Pub 4012 Page ACA-11 for questions to ask client to determine proper answer)</p> <ul style="list-style-type: none"> <li>- A shared policy is a Marketplace policy (and associated 1095-A) that covers at least one individual in the taxpayer's tax family AND covers at least one individual not in the taxpayer's tax family for ACA purposes. (see Page ACA-11 for details)</li> <li>- When taxpayers with Marketplace coverage marry during the tax year, there is an optional alternative calculation method for reconciling advance PTC payments. This alternative method may increase their refund. (see Page ACA-12 for details)</li> </ul>	
	<p><b>If Line 9 is answered Yes, then STOP – The return is out of scope</b></p>	
• <b>Line 10</b>	<p>Answer YES or NO to the question, "Did all Forms 1095-A include coverage for January - December with no changes in monthly amounts on line 21 - 32 Columns A and B?"</p> <p>If answer is YES, PTC calculations can be done an annual basis</p> <p>If answer is NO, PTC calculations must be done for each month separately</p>	
• <b>Line 11</b>	<p>If answer on line 10 is YES, enter the sum of the annual figures shown on all Forms 1095-A. (Columns A, B, C on form go in Columns A, B, F on the screen)</p> <p><b>NOTE:</b> If more than one 1095-A, use a scratch pad to document the amount used from each 1095-A for each value entered</p>	TW calculates annual figures for Columns C, D and E

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<ul style="list-style-type: none"> <li>• <b>Lines 12 - 23</b></li> </ul>	<p>If answer on line 10 is NO, enter the sum of the monthly figures shown on all Forms 1095-A. (Columns A, B, C on form go in Columns A, B, F on the screen)  <b>NOTE:</b> If more than 1095-A, use a scratch pad to document the amount used from each 1095-A for each unique value entered</p>	<p>TW calculates monthly figures for Columns C, D and E</p>
<ul style="list-style-type: none"> <li>• <b>Line 24</b></li> </ul>		<p>TW calculates the amount of the PTC taxpayer is entitled to based on tax return figures</p>
<ul style="list-style-type: none"> <li>• <b>Line 25</b></li> </ul>		<p>TW calculates the amount of Advance PTC that was paid to taxpayer's health insurance company during the tax year</p>
<ul style="list-style-type: none"> <li>• <b>Line 26</b></li> </ul>		<p>If the calculated actual PTC amount is larger than the Advance PTC amount, TW calculates the net PTC that taxpayer will receive on 1040 line 69 as a refundable credit</p>
<p><b>Part 3</b></p>		
<ul style="list-style-type: none"> <li>• <b>Line 27</b></li> </ul>		<p>If the calculated actual PTC amount is less than the Advance PTC amount, TW calculates the excess advance PTC</p>
<ul style="list-style-type: none"> <li>• <b>Line 28</b></li> </ul>		<p>Taxpayer may not have to repay the entire excess advance PTC depending on income as % of FPL and filing status (see Pub 4012, Pg. ACA-12). TW populates the repayment limitation</p>
<ul style="list-style-type: none"> <li>• <b>Line 29</b></li> </ul>		<p>TW populates the amount of excess advance PTC and transfers the amount to 1040 line 46 as an additional tax owed</p>
<p><b>Medical expenses:</b></p> <ul style="list-style-type: none"> <li>• <b>A Detail</b></li> <li>• <b>NJ Line 30</b></li> </ul>	<p>The Marketplace premium amount to claim will be Total Premiums (Form 8962 line 11a or the sum of lines 12a-23a) minus the calculated PTC (Form 8962 line 24)</p> <ul style="list-style-type: none"> <li>- Enter the Marketplace premium amount on the A Detail screen</li> <li>- If you deferred manual adjustments to NJ-1040, Line 30, make the adjustments now</li> </ul>	

## Affordable Care Act Exemptions – 2014 Quick Reference Guide

### Exemptions Available on Tax Return (in order of ease of use)

Description	Code	Notes	Duration <sup>1</sup>
Household income below filing threshold - 8965 7a	–	After input of MAGI for dependents that have a filing requirement Exemption applies to all members in the tax family	Covers full year
Gross income below filing threshold - 8965 7b	–	Include gross income of taxpayer (and spouse if MFJ) only (do not include income of dependents); Exemption applies to all members in the tax family	Covers full year
Certain citizens living abroad Certain noncitizens	C	A U.S. citizen or resident who spent at least 330 full days outside of the U.S. during a 12-month period; A U.S. citizen who is a bona fide resident of a foreign country or U.S. territory; A resident alien who was a citizen of a foreign country with which the U.S. has an income tax treaty with a nondiscrimination clause, and who was a bona fide resident of a foreign country for the tax year; or Not a U.S. citizen, not a U.S. national, and not lawfully present in the U.S.	Covers months of such status
Short coverage gap (<3 months)	B	One such gap only (max 2 months) (the first one if there are two short gaps) Another exemption may apply to a gap that is before or after a short gap	Covers months of short gap
Months prior to effective date of MEC	G	For a person who enrolls in Marketplace, Medicaid, CHIP, any individual, or any group MEC with an effective date on or before May 1, 2014  For people who applied to the Marketplace during open enrollment (or extended open enrollment), purchased coverage after 12/24/2013 and the coverage was not effective for one or more months in 2014	Covers months prior to May 1, 2014 Covers all months prior to coverage
Incarceration <sup>2</sup>	F	Includes being in a jail, prison, or similar penal institution or correctional facility after the disposition of charges Does <b>not</b> include: Time in jail pending disposition of charges (being held but not convicted of a crime), nor time in probation, parole, or home confinement	Covers months of incarceration
Member of Indian tribe or individual otherwise eligible for services from an Indian health care provider <sup>2</sup>	E	You were either a member of a Federally-recognized Indian tribe, including an Alaska Native Claims Settlement Act (ANCSA) Corporation Shareholder (regional or village), or you were otherwise eligible for services through an Indian health care provider or the Indian Health Service Federally-recognized Indian tribes list at <a href="http://www.bia.gov/WhoWeAre/BIA/OIS/TribalGovernmentServices/TribalDirectory">www.bia.gov/WhoWeAre/BIA/OIS/TribalGovernmentServices/TribalDirectory</a> ; ANCSA list at <a href="http://dnr.alaska.gov/mlw/trails/17b/corpindex.cfm">dnr.alaska.gov/mlw/trails/17b/corpindex.cfm</a>	Covers months of tribe membership
Health care sharing ministry (HCSM) <sup>2</sup>	D	A HCSM is a tax-exempt organization acting as clearinghouse for those who have medical expenses and those who desire to share those medical expenses	Covers months of ministry membership
Ineligible for Medicaid solely because state does not participate in Medicaid expansion under ACA <sup>2</sup>	G	Household income is less than 138% of FPL in states not expanding Medicaid: AK, AL, FL, GA, ID, IN, KS, LA, ME, MO, MS, MT, NC, NE, NH, OK, SC, SD, TN, TX, UT, VA, WY, WI, and for 2014 only: PA Household income for this 138% Medicaid eligibility determination is increased by untaxed social security	Covers full year
Transition relief for 2014 only for certain non-calendar year plans	H	Eligible for employer plan starting in 2013 and ending in 2014, but did not purchase coverage. For example, employer coverage plan is on a July 31 year-end: can claim exemption for first 7 months of 2014 only	Covers months of old fiscal year in 2014 only
Transition relief for 2014 only for certain limited benefit Medicaid and TRICARE programs	H	Limited-benefit Medicaid: –Family planning services –Tubercular services –Pregnancy-related –Emergency medical service –\$1115 demonstrations –Medically needy, “Spend-down” or “Share-of-cost”  Limited-benefit TRICARE: –Space-available care –Line-of-duty care	Covers months enrolled in the program in 2014 only

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Affordability Exemptions	Code	Notes	Duration <sup>1</sup>
Coverage is unaffordable because its cost is more than 8% of household MAGI and:		Household MAGI = AGI + exempt interest income + excluded foreign income + pre-tax medical (salary reduction plan) Include MAGI of each tax family member with a filing requirement <b>MUST compare against correct plan cost (use worksheets in F 8965 instructions)</b>	Covers:
1. Employer does NOT offer coverage	A	Use the lowest-cost bronze Marketplace plan for all individuals shown on the return who do not have an employer offer and do not qualify for another exemption <sup>4</sup> ; use the SLCSP for those individuals shown on the return who can get MEC in the Marketplace <sup>5</sup> and who are not eligible for another exemption; Exemption applies to members in the tax family included in the bronze plan quote	Applicable months
2. Employer offers coverage to taxpayer or family member	A	Lowest cost employer coverage available <b>for employee-only</b> coverage; Must know cost of coverage offered by employer; Exemption applies to individual offered coverage only; If employee-only coverage is affordable, exclude such family member from test 3 below	Applicable months
3. Employer offers family coverage to taxpayer or spouse	A	Lowest cost employer family coverage for eligible tax family members who do not qualify for another exemption; Must know cost of family coverage offered by employer; Exemption applies to eligible tax family members (see 8965 instructions)	Applicable months
4. More than one tax family member is offered employer coverage	G	Two or more family members offered employer coverage: (1) Individual coverage offers are affordable but (2) their combined cost is greater than 8% of income and (3) no family coverage is offered for less than 8% of income; Must know cost of coverages offered by employers; Exemption applies to all members in the tax family	The whole year, if criteria met for at least one month

### Marketplace-ONLY Exemptions (ECN issued by Marketplace)<sup>3</sup>

Members of certain religious sects
You are experiencing circumstances that prevent you from obtaining coverage under a qualified health plan.
You do not have access to affordable coverage based on your projected household income
You have been notified that your health insurance policy will not be renewed and you consider other plans available unaffordable
You were engaged in service in AmeriCorps State and National, VISTA, or NCCC programs and were covered by short-term duration coverage or self-funded coverage provided by these programs

### Retroactive Marketplace-ONLY Exemptions Available (ECN issued by Marketplace)<sup>3</sup>

Members of certain religious sects		
Membership in an Indian Tribe		
Hardship - 14 categories below:	Have up to 3 years after the month of the hardship to apply (documentation is required in most circumstances)	Exemption is effective at least one month before and after hardship
<ol style="list-style-type: none"> <li>1. Homelessness</li> <li>2. Eviction in the last 6 months or facing eviction or foreclosure</li> <li>3. Utility shut-off notice</li> <li>4. Domestic violence</li> <li>5. Recent death of a close family member</li> <li>6. Disaster that resulted in significant property damage</li> <li>7. Bankruptcy in the last 6 months</li> <li>8. Debt from medical expenses in the last 24 months</li> <li>9. High expenses caring for ill, disabled or aging relative</li> <li>10. Failure of another party to comply with a medical support order for a dependent child who is determined ineligible for Medicaid or CHIP</li> </ol>	<ol style="list-style-type: none"> <li>11. Through an appeals process, determined eligible for a Marketplace QHP, PTC, or CSR but was not enrolled</li> <li>12. Determined ineligible for Medicaid because the state did not expand (must have applied and been denied)</li> <li>13. Individual health insurance plan was cancelled and you believe Marketplace plans are considered unaffordable</li> <li>14. Other hardship in obtaining coverage (including for people in AmeriCorps, VISTA and NCCC who are enrolled limited duration or self-funded coverage)</li> </ol>	

<sup>1</sup> One day of MEC in a month satisfies the MEC requirement for the whole month; one day of exemption in a month covers the whole month; may need to test on a month-by-month basis, annualized if needed

<sup>2</sup> Exemption may be obtained from the Marketplace also – if have ECN, use Part I of Form 8965

<sup>3</sup> Use “PENDING” as the ECN on Form 8965 if the ECN has not yet been received

<sup>4</sup> Include individuals even if they have, or could have had, other coverage (Medicare, Medicaid, CHIP, other gov’t)

<sup>5</sup> Exclude individuals who have, or could have had, disqualifying coverage (employer-offered, Medicare, Medicaid, CHIP, other gov’t)