

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