

# bailey benefit news

This update is sent periodically to keep you informed of employee benefit plan issues that may impact your organization.



Effective January 2015, employers with 50 or more full-time equivalent employees are required to file forms with the IRS so that the IRS can monitor both individuals and employers for the “pay or play” penalties.

The forms used are IRS Forms 1094-C, 1094-B, 1095-C and 1095-B. The penalties are steep for non-compliance so employers must either engage a third party to submit the forms or personally file them.

Employers submitting their own paperwork must get credentialed with the IRS in advance. The IRS recently released additional information on the process. The IRS’s electronic filing system (ACA Information Return system or AIR) requires some effort to meet the guidelines established by the IRS.

The following are the steps that entities submitting the reporting forms must complete prior to being able to electronically submit any forms (which are due by February 29, 2016 or March 31, 2016 if you submit electronically):

- 1) Register with the IRS’s e-Services website. *Please note that the person submitting the data will need to provide personal information for verification, including the individual’s Adjusted Gross Income.*
- 2) Obtain an AIR Transmitter Code which is a unique identifier authorizing each submitting entity to submit the forms.
- 3) Pass a series of technical/system tests to ensure that the forms will be properly submitted when due.

At the current time, the first two steps are able to be completed. The third step has still not been finalized and it is not completely clear as to whether or not employers submitting their own paperwork will need to complete the third step. We will keep you updated as more information is released.

The IRS has developed a [website](#) for those Submitting Entities that want to get an early start on the registration process. This site contains links to the e-Services registration page as well as a tutorial for obtaining the AIR Transmitter Code.

We will continue to keep you updated as more information is released on the ACA reporting.

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