

# Affordable Care Act Client Checklist

(Summary for Tax Professionals)

## Premium Tax Credit

- The Premium Tax Credit applies to your clients who enrolled in a qualified health plan offered through a Marketplace.
  - These clients will receive a Form 1095-A, Health Insurance Marketplace Statement, which must be provided to you before being able to file a tax return.
  - Information included on Form 1095-A will flow to Form 8962 in order to reconcile the amount of premium tax credit.
  - Advance payment of the premium tax credit (APTC) is a payment made for coverage during the year to the insurance provider that pays for part or all of the premiums for the coverage of the taxpayer or an individual in their tax family.
  - The taxpayer must file Form 8962 to reconcile any Advance Premium Tax Credit (APTC) against the Premium Tax Credit (PTC) eligible for the tax year. If the APTC is more than the PTC, the taxpayer will have excess APTC and must repay the excess, subject to certain limitations. If PTC is more than the APTC, the taxpayer can reduce their tax payment or increase their refund by the difference.
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## Individual Shared Responsibility Payment

- Beginning in 2014, your clients must have health care coverage, have a health coverage exemption, or make a shared responsibility payment with their tax return. (For clients subject to the individual shared responsibility payment, they may be eligible for the exemptions below.)
  - Minimum essential coverage is coverage under a government-sponsored program, coverage from an employer, a plan that they purchased in the individual market, or certain other coverage.
  - For 2014, the annual shared responsibility payment amount is the greater of: a) 1% of household income above filing threshold, or b) Family's flat dollar amount, \$95 per adult and \$47.50 per child, limited to family maximum of \$285
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## Types of Coverage Exemptions

	Granted by Marketplace	Claimed on Tax Returns	Code for Exemption on Return	Exemption certificate # (If granted by Marketplace)
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**Income below the filing threshold:** Your gross income or your household income was less than your applicable minimum threshold for filing a tax return.

No Code.  
See Part II

**Coverage is considered unaffordable:** The minimum amount you would have paid for premiums is more than 8% of your household income.

Yes

A

**Short coverage gap:** You went without coverage for less than 3 consecutive months during the year.

Yes

B

**Citizens living abroad and certain noncitizens:** You were: 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 was 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 you were 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 an individual lawfully present in the U.S. For more information about who is treated as lawfully present for purposes of this coverage exemption, visit [healthcare.gov](http://healthcare.gov)

Yes

C

**Member of a health care sharing ministry:** You were a member of a health care sharing ministry

Yes

Yes

D

**Member of Indian tribes:** 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.

Yes

Yes

E

**Incarceration:** You were in a jail, prison, or similar penal institution or correctional facility after the disposition of charges

Yes

Yes

F

**Aggregate self-only coverage considered unaffordable:** Two or more family members' aggregate cost of self-only employer-sponsored coverage was more than 8% of household income, as was the cost of any available employer-sponsored coverage for the entire family.

Yes

G

**Gap in coverage at the beginning of 2014:** You had a coverage gap at the beginning of 2014 but were either enrolled in, or were treated as having enrolled in, coverage through the Marketplace or outside of the Marketplace with an effective date on or before May 1, 2014

Yes

G

**Gap in CHIP coverage:** You applied for CHIP coverage during the initial open enrollment period and were found eligible for CHIP based on that application but had a coverage gap at the beginning of 2014.

Yes

G

**Resident of a state that did not expand Medicaid:** Your household income was below 138% of the federal poverty line for your family size and at any time in 2014 you resided in a state that did not participate in the Medicaid expansion under the Affordable Care Act.

Yes

Yes

G

Exemption chart reproduced from IRS Form 8965 Instructions.

## Types of Coverage Exemptions

	Granted by Marketplace	Claimed on Tax Returns	Code for Exemption on Return	Exemption certificate # (If granted by Marketplace)
<b>Limited benefit Medicaid and TRICARE programs that are not minimum essential coverage:</b> You were enrolled in certain types of Medicaid and TRICARE programs that are not minimum essential coverage. (Available only in 2014.)		Yes	H	
<b>Employer coverage with non-calendar plan year beginning in 2013:</b> You were eligible, but did not purchase, coverage under an employer plan with a plan year that started in 2013 and ended in 2014. (Available only in 2014.)		Yes	H	
<b>Members of certain religious sects:</b> You are a member of a recognized religious sect.	Yes		Need ECN See Part I	
<b>Determined ineligible for Medicaid in a state that did not expand Medicaid coverage:</b> You were determined ineligible for Medicaid solely because the state in which you resided did not participate in Medicaid expansion under the Affordable Care Act.	Yes		Need ECN See Part I	
<b>General hardship:</b> You experienced a hardship that prevented you from obtaining coverage under a qualified health plan	Yes		Need ECN See Part I	
<b>Coverage considered unaffordable based on projected income:</b> You did not have access to coverage that is considered affordable based on your projected household income.	Yes		Need ECN See Part I	
<b>Unable to renew existing coverage:</b> You were notified that your health insurance policy was not renewable and you considered the other plans available unaffordable.	Yes		Need ECN See Part I	
<b>AmeriCorps coverage:</b> 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.	Yes		Need ECN See Part I	

Exemption chart reproduced from IRS Form 8965 Instructions.