

# ACA Information Returns

How-To Process ACA Information Returns Using Datatech's HRM Software

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# Section 1: Preparing for ACA Information Returns

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# Review Your Category Settings

If you have spotted any errors or would like to prevent as many potential errors as possible, you must verify your settings are correct. This will allow you to quickly compile, edit, review, and print your full-time 1095-C's. To review your current ACA Employee Category Setup, follow these steps:

1. Go to **ACA > Setup > Categories**.

2. **Category**

Select your default category, either monthly or lookback, which the software uses to calculate eligibility and report to the IRS.

3. **Default**

Ensure the **Default** checkbox is selected on the category you chose. Make sure only one category has Default selected.

4. **Salary Employee Method**

Ensure your Salary Employee Method is correct. If not, hour totals for salaried employees may be affected.

**Tip:** If you would like to consider a salaried employee full-time no matter what hours of service they have, see [Section 1, Review Your Employee Settings, ACA](#).

5. **Affordability Safe Harbor**

Ensure your Affordability Safe Harbor code is correct. This is reported on Line 16 when coverage is declined.

**Note:** If you need your Affordability Safe Harbor code, you can get it from your accountant, insurance broker, or insurance carrier.

# Lookback Method Settings

If you are using the lookback method, check the following settings:

Lookback Method Settings..

Full Time Employee Settings...

# Days After Hire to Offer Coverage: 60

Initial Measurement Period Settings...

Measurement Period, # of Months: 12

Start Initial Measurement Period On: First Day of Next Month After Hire Da

Administrative Period, # Days: 30

Stability Period, # of Months: 12

Ongoing Measurement Period Settings...

Measurement Period Starting Date: 01/01/2016

Measurement Period, # of Months: 12

Administrative Period, # Months: 1

Stability Period, # of Months: 12

Transition Date:

Save Clear Delete

## 6. Start Initial Measurement Period On

This should always be set to *First Day of Next Month After Hire Date*.

## 7. Measurement Period Starting Date

Ensure that your Measurement Period Starting Date is correct for the lookback method. If you measure in 12-month increments, this date should be set to at least two years in the past.

A typical measurement period starting date is calculated so that after the measurement and administrative periods have elapsed, the stability period will begin on the first day of a new plan year.

**Example:** Suppose you have a 12-month lookback, with your administrative period set to 30 days.

Plan Year Begins: January 1, 2018

Measurement Period Starting Date: December 1, 2016

Measurement Period End: November 30, 2017

Administrative Period End: December 31, 2017

Stability Period Begins: January 1, 2018 (The same day as the new plan year.)

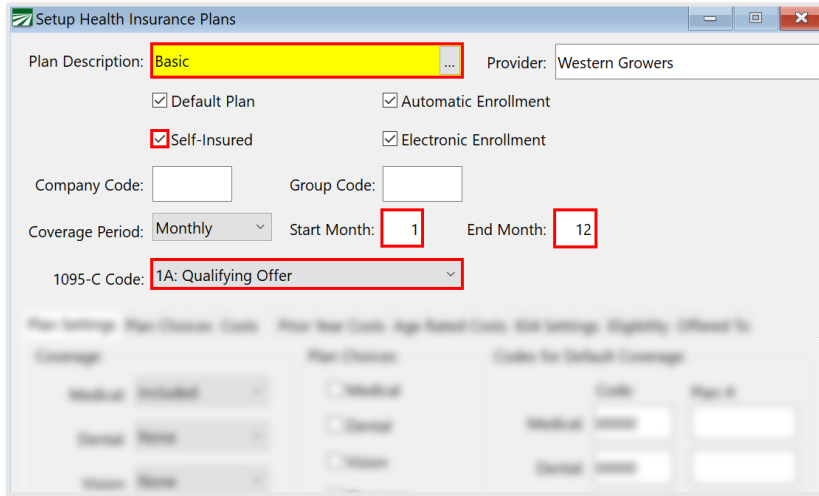
## 8. Transition Date

**Do not** use the **Transition Date** entry unless given specific instructions from Datatech. This option is only used when switching from one category to another.

# Review Your Medical Plans Settings

To review your Medical Plans setup, follow these steps:

1. Go to **ACA > Setup > Medical Plans**.



2. **Plan Description**

Select the plan to be reported to the IRS. This is not always your default plan.

3. **Self-Insured**

Select this checkbox if your plan is self-insured. This will fill out Part III of your 1095-C form.

4. **Start/End Month**

Ensure the plan year **Start Month** and **End Month** entries are correct.

5. **1095-C Code**

Ensure the correct 1095-C code is selected from the drop-down list. This is reported on Line 14.

**Note:** Anytime your 1095-C code changes, you must set up a new Medical Plan with your new code.



## Prior Year Costs

6. Click the **Prior Year Costs** tab if you are using, or have used, flat rates for payroll deductions during the calendar year being reported to the IRS. Then review the following settings.

**Note:** If you are using Age Rated Costs, skip to [Step 10](#).

[illegible]

- ## 7. Year Ending

Ensure all *current* and *former* rates are archived on the **Prior Year Costs** tab by their plan year ending date. This ensures amounts on Line 15 will be correct for each plan year.

- ### 8. Cost Self/Cost Spouse/Cost Dependent/Cost Family

Ensure these totals are correct. Remember Cost Self is always the total annual premium amount for the employee only. Cost Spouse, Cost Dependent, and Cost Family are the annual amounts in addition to the Cost Self.

**Example:** Your insurance company says the cost to cover the employee only is \$2,000 and to cover them plus their spouse is \$3,500. This would make the additional amount for the spouse \$1,500. You will need to enter those amounts separately into the program.

Cost Self: \$2,000

Cost Spouse: \$1,500

Total: \$3,500

- ## 9. Self-Share/Spouse Share/Dependent Share/Family Share

Ensure these totals are correct. Remember, they are always the payroll deduction amount. These will be weekly or monthly, depending on what you have setup on the Setup Health Insurance Plans > Cost tab.

## Age Rated Costs

10. Click the **Age Rated Costs** tab if you are using, or have used, age rated costs during the calendar year being reported to the IRS. Then review the following settings.

Plan Settings Plan Choices Costs Prior Year Costs **Age Rated Costs** 834 Settings Eligibility Offered To

☒ Age Rated

☒ Age Rate All Individuals

Plan Year Ending: 06/30/2018

Age	Cost Self	Self Share	Cost Spouse	Spouse Share	Cost Depend	Depend Sha	Cost Fa
25	1000.00	15.00	1000.00	15.00	1000.00	15.00	1
26	1200.00	20.00	1200.00	20.00	1200.00	20.00	1
27	1300.00	25.00	1300.00	25.00	1300.00	25.00	1
50	400.00	4.00	400.00	4.00	400.00	4.00	
51	500.00	5.00	500.00	5.00	500.00	5.00	
52	600.00	6.00	600.00	6.00	600.00	6.00	
55	2500.00	100.00	2500.00	100.00	2500.00	100.00	2

Save Clear Delete

### 11. Age Rated

If you use age rated costs, this checkbox must be selected.

### 12. Age Rated Individuals

When the spouse and dependents are also age rated, this checkbox must be selected.

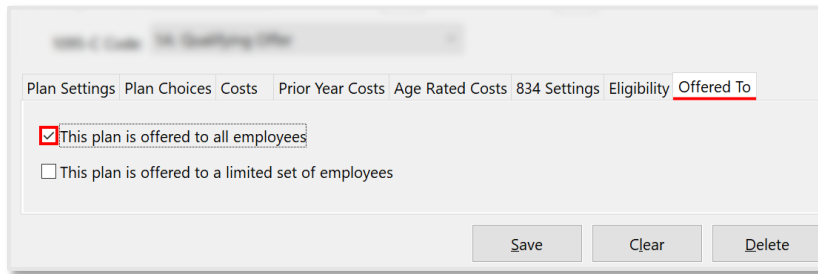
### 13. Plan Year Ending

Ensure applicable plan year age rated costs are saved under each plan year ending date, for the year being reported.

**Example:** ABC Labor has a plan year that begins July 1, 2017 and ends June 30, 2018. When preparing the reporting for 2018, they need to enter age rated costs for the ending dates of June 30, 2018 as well as June 30, 2019, in order to complete the 2018 information return.

## Offered To

14. Click the **Offered To** tab and review the following settings.



The screenshot shows a software interface with a tabbed menu at the top. The tabs are: Plan Settings, Plan Choices, Costs, Prior Year Costs, Age Rated Costs, 834 Settings, Eligibility, and Offered To. The 'Offered To' tab is selected and highlighted with a red underline. Below the tabs, there are two checkboxes. The first checkbox is checked and is labeled 'This plan is offered to all employees'. The second checkbox is unchecked and is labeled 'This plan is offered to a limited set of employees'. At the bottom right of the interface, there are three buttons: Save, Clear, and Delete.

15. **This plan is offered to *all* employees**

Ensure the plan you wish to report to the IRS has the **This plan is offered to all employees** checkbox selected.

**Note:** If your plan changed mid-year, you will select this option on both plans.

16. **This plan is offered to a *limited* set of employees**

Ensure this checkbox is cleared. It should only be selected on other plans offered, that will not be reported to the IRS.

# Review Employee Records

## Tips Before You Start

To efficiently review your records, go to **Health Insurance > Benefit Eligibility Review**. This window will allow you to search through your records quickly, sorting them as needed by Date, Status, Medical Plan, Department, and Inactive records.

Empl #	Last Name	First Name	Date Eligible	Date Offered	Start Date	End Date	Pre-E	Insurance Plan	Declined
1	EMPLOYEE	EXAMPLE	9/1/2016	8/29/2016			Offered	basic	<input checked="" type="checkbox"/>
1	EMPLOYEE	EXAMPLE	9/1/2017	8/30/2017			Offered	basic	<input checked="" type="checkbox"/>
1	EMPLOYEE	EXAMPLE	9/1/2018	8/29/2018	9/1/2018	9/30/2019	Offered	basic	<input checked="" type="checkbox"/>

While you are reviewing employee files in the HR Employee View window, save time by using the F7 and F8 keys to toggle back and forth between employee files. You can do this while in any tab on that window as long as you have the *Account #* or *Name Key* entry selected.

Account #:  Name Key: EMPLOYEE1

**Caution:** If you make any changes on a file and do not click **Save** before using the F7 or F8 keys to move to the next employee, the change will not be saved. Once you click **Save**, the window will clear. You will need to take note of which employee you were on last, so you can continue where you left off.

The following information will help you review important settings on your **HR Employee View** window. Each subheading will refer to a different tab on the HR Employee View window.

1. Go to **Employees > Employee Entry**.

# Employee Info

2. Click the **Employee Info** tab.

The screenshot shows the 'HR Employee View' window with the 'Employee Info' tab selected. The window contains various input fields for employee data. At the top, there are fields for 'Account #', 'Name Key', and 'Social Security #'. Below these are tabs for 'Credit Cards', 'Equipment', 'ACA', 'Employee Info', 'Deductions', 'Totals', 'Notes', 'Direct Deposit', 'Dependents', 'Health Benefits', 'Medical', 'Emerg Contacts', 'Training', 'Complaints', 'Litigation', 'Warnings', and 'Injuries'. The 'Employee Info' tab is active, showing 'Personal Information' and 'Employment Information' sections. In the 'Personal Information' section, there are fields for 'Last Name', 'First & Middle Names', 'Mailing Address', 'City/State/Zip', and 'Street Address'. In the 'Employment Information' section, there are fields for 'Crew #', 'Department', 'Position', 'Employment Type', and 'Pay Type'. The 'Pay Type' dropdown menu is highlighted with a red box, showing 'Hourly' selected.

3. **Pay Type**

Ensure the **Pay Type** entry is accurate for each employee. Even those who did not show up as full-time on the 1095-C report.

# Deductions

4. Click the **Deductions** tab.

The screenshot shows the 'HR Employee View' window with the 'Deductions' tab selected. The window contains various input fields for employee data. At the top, there are fields for 'Account #', 'Name Key', and 'Social Security #'. Below these are tabs for 'Credit Cards', 'Equipment', 'ACA', 'Employee Info', 'Deductions', 'Totals', 'Notes', 'Direct Deposit', 'Dependents', 'Health Benefits', 'Medical', 'Emerg Contacts', 'Training', 'Complaints', 'Litigation', 'Warnings', and 'Injuries'. The 'Deductions' tab is active, showing 'Tax Information' and 'Miscellaneous Deductions' sections. In the 'Tax Information' section, there are fields for 'Type', 'H-2A', 'Fed. Marital Status', 'State Marital Status', 'Pay Cycle', and 'Special Tax Status'. In the 'Miscellaneous Deductions' section, there are fields for 'Advance/Loan Balance' and 'Type/Description'. The 'Pay Cycle' dropdown menu is highlighted with a red box, showing 'Weekly' selected.

5. **Pay Cycle**

Ensure the **Pay Cycle** entry is accurate for each employee. Even those who did not show up as full-time on the 1095-C report.

# Health Benefits

6. Click the **Health Benefits** tab.

Active	Benefit Provider	Benefit Plan	Declined	Spouse	Child	Date Eligible	Date Offered	Start Date	End Date	Ded #	Empl Share
<input type="checkbox"/>	Western Growers	Basic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9/1/2016	8/29/2016			0	100.00
<input type="checkbox"/>	Western Growers	Basic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9/1/2017	8/30/2017			0	100.00
<input checked="" type="checkbox"/>	Western Growers	Basic	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9/1/2018	8/29/2018	9/1/2018	9/30/2019	1	200.00

## 7. Outstanding Benefit Application

Ensure all outstanding benefit applications are present and accurate for each employee. This is a new feature of the Health Benefits records. It allows you to document an offer was made to an employee when they became eligible, but that they have not returned the application. (See the following image.)

Using this feature can allow the compile 1095-C information function to populate all Line 16 codes with decline codes.

Employee: EXAMPLE ☐ Pre-Enrollment

Benefit Provider: Western Growers

Benefit Plan: Basic

Date Eligible: 09/01/2016 Date Offered: 08/29/2016

☒ Appl. Not Returned Appl. Returned On:

## 8. Declined

Ensure all Declined records are present and accurate. There must be a separate Declined record entered every time an employee declined coverage. At least one decline record is required for each plan year an employee declined coverage.

## 9. Start/End Dates

Ensure all coverage records include accurate **Start** and **End Dates**, particularly on the record(s) covering the calendar year you are reporting.

# ACA

10. Click the ACA tab.

HR Employee View

Account #: 1 ... Name Key: EMPLOYEE1 ... Social Security #: 000 00 0006 ... 2 ... ☒ Active

Employee Info Deductions Totals Notes Direct Deposit Dependents Health Benefits Medical Emerg Contacts Training Complaints Litigation Warnings Injuries Credit Cards Equipment **ACA**

Date Hired: 07/01/2015 ... First Date Worked: ... Date Terminated: ...

Date Rehired: ... Date Last Worked: ...

Type	Measure Start	Measure End	Admin Start	Admin End	Stability Start	Stability End	Offered On	Hours	Status
Full Time	07/01/2018	08/01/2018	09/01/2018	09/01/2018	09/01/2018	09/01/2019		0.00 A	0.00 A

Add... Edit...

ACA Category: Lookback ...

ACA Employee Type: Full Time ...

ALE Member Status: Calculated Full Time ...

Months Qualified: ... First Month Ending: ...

Terminate Behire Print Profile Save Delete Clear

## 11. ACA Employee Type

Ensure the ACA Employee Type is accurate for each employee.

**Caution:** If *Full Time* or *Part Time* is selected on an employee account, it will override the calculation of their hours of service and their 1095-C status. Either part-time or full-time will be assigned based on this setting alone.

# Section 2: Compiling Your 1095-C Information

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# Compile 1095-C Information

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## Before You Start:

The 1095-C form is used to document compliance with the Affordable Care Act. It combines information about eligibility with the offer of coverage made to each employee.

A code is provided for each month of the calendar year to explain why the employer penalty does not apply to that employee during that month.

### Which employees receive a 1095-C?

Only employees whose hours of service qualified them as **full-time** for at least one month in the calendar year need to receive a 1095-C form.

If an employee has part-time hours of service for the entire year, or if they were covered under a Limited Non-Assessment Period, (i.e. measurement period) then a 1095-C is **not** required.

### How is an employee's status determined?

Your payroll records are used to calculate each employee's full-time or part-time status, according to the measurement period rules you have set up in your program.

An employee's eligibility information is combined with their Health Benefits record(s) to document the following:

- When an offer of coverage was made.
- If and when an offer was declined.
- If an offer was accepted, and when the employee received coverage under the employer's sponsored health insurance plan.

### How should I report my 1095-C forms?

Employers reporting more than 250 full-time 1095-C forms are required to do so electronically. However, the IRS recommends that everyone report electronically, no matter how many 1095-C forms you are reporting. Still, the option to file on paper is available for those ALE's who are submitting fewer than 250 full-time 1095-C forms.

## Compile

The first step in your year-end reporting is to compile your information into 1095-C transactions.

You may view and edit these compiled transactions before printing the employees' copies of the forms, and before generating the electronic files that will be reported to the IRS.

You can compile 1095-C transactions more than once. This would be necessary if you discover you are missing records or have incomplete records. After making the needed changes to those records, recompiling will delete the previously compiled transaction(s) and create a new one with the corrected information.

To compile your 1095-C information, follow these steps:

1. Go to **ACA > Annual Reports > Compile 1095-C Information**.

Compile 1095-C Information

Year: 2018

☒ Compile All Employees

Account #:

☐ Corrected Form

☐ Do Not Recompile Reviewed Forms

☐ First Year as ALE (Jan-Feb-Mar 2D)

☐ Non-calendar year transition relief (2I)

☐ Decline records apply to entire year

☐ Use 2D for incomplete waiting periods

☐ Use 2D when status changes to part time

☐ Declines do not override 2B/2D

☐ 2D does not override 2B

☒ Use 2G with 1A on declines

☒ Treat outstanding applications as declines

Default Decline Date: / /

Incomplete Look-back Period:

Method Transition: None

Transition Date: / /

Compile Cancel

2. Type the calendar year you are reporting in the **Year** entry. (Format YYYY)
3. Select **Compile All Employees** if this is your first compile. Also select any other checkboxes that apply.

**For more information:** If you are unsure how these options affect a compile, see the [Compile 1095-C Reference Information](#).

4. Click **Compile**. When the compile has finished, the following dialog box will tell you the amount of 1095-C transactions that were compiled.

Compile 1095-C Information

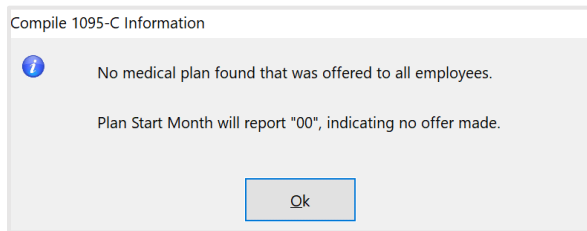
9 1095-C records generated.

Ok

## Dialog Boxes Following a Compile

5. **No medical plan found...**

If the following dialog box appears, it indicates one of two things has happened:



- A. There are no medical plans set up in the software.
- B. There is no medical plan indicated as being **Offered To All Employees**.

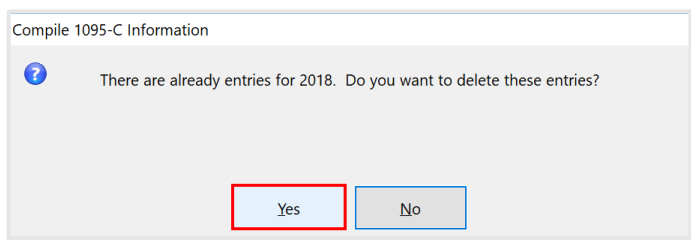
If no plan was offered during the calendar year you are reporting, there is no need to make changes for future compiles of that calendar year.

If this is a mistake and a plan was offered, a medical plan will need to be set up, or you will need to identify a current medical plan as being **Offered To All Employees** before you can continue.

**Note:** If this is a mistake, review your settings again and correct your information by following the instructions in [Section 1, Review Your Medical Plan Settings](#) of this document. You will not always select your default plan as the plan you are reporting to the IRS, but the plan that meets the ACA requirements.

## 6. Recompiling

Once you have made the needed changes, you will need to follow the steps of compiling again. When you click **Compile** a second time, the following dialog box will appear. If you click Yes, your previous compile will be replaced with the new one.



## Compile 1095-C Reference Information

The following information gives a brief explanation of the options available on this window:

### Year

Enter the tax year your wish to compile 1095- C information for.

### Corrected Form

Select this option to recompile all employees who have the **Corrected (Employee)** checkbox selected on their transaction. These forms will print the word, 'CORRECTED', at the top of the page.

**Note:** This option should **not** be used to create corrected forms for the IRS. For correcting 1095-C's for the IRS see [Section 7, Part 4, Correct & Reissue 1095-C Forms \(IRS\)](#).

### **Compile All Employees**

Select this to compile information for all employee accounts.

If you only want to recompile information for a specific employee, leave this box cleared.

### **Account #**

When compiling a single employee account, enter their account number in this entry or use the lookup to find a specific account.

### **Do Not Recompile Reviewed Forms**

Each employee transaction can be marked as Reviewed. This option allows you to recompile only unreviewed transactions.

Use this option if you need to recompile a large number of employee accounts, but do not need to recompile the accounts you have already reviewed.

### **First Year as ALE (Jan-Feb-Mar 2D)**

Select this option if this is your first year as an ALE and you are using the relief that allows you to report the first three months with a 2D code.

### **Non-calendar year transition relief (2I)**

(No longer applicable.)

### **Decline records apply to entire year**

When this box is selected, a decline record will apply to the entire calendar year even if the employee has a gap in service of 13 weeks or more.

### **Use 2D for incomplete waiting period**

When using the monthly measurement period, if an employee qualifies as a full-time employee, 2D is used for up to three months during the waiting period before coverage is required to start. However, if an employee does not work beyond the waiting period and no offer of coverage is found before the employee is terminated, the program will not use the 2D code based on the definition provided for Limited Non-Assessment Periods in the 1095-C instructions.

You should select this box if you pre-enroll employees at the time of hire and you rely on the HR program to automatically enroll employees, unless a decline record is entered. In that case, you will not have a record on the Health Benefits tab entered, because the program would have created one when the employee would have been enrolled. (It may also be the case that an enrollment record was created by the program and then manually deleted because the employee was terminated.)

### Use 2D when status changes to part-time

This option can only be used with the monthly measurement period method. It is also only used in the following situation and should be used at your discretion, based on how you interpret this part of the law:

If an employee works full-time, triggering the waiting period, but was not offered coverage because they worked part-time hours right after the waiting period ended, this option will keep 2D entered on those waiting period months. It only affects the codes for those months.

When this option is used in this situation:

<i>Month</i>	Jan.	Feb.	Mar.	Apr.	May
<i>Line 16 Code</i>	2D	2D	2D	2B	2B
<i>Status</i>	Full-Time	Full-Time	Full-Time	Part-Time	Part-Time
<i>Hours</i>	130	130	130	100	100

If this option is **not** selected and an employee worked full-time, triggering the start of a waiting period, but no offer of coverage was made because the employee worked part-time hours right after the waiting period ended, Line 16 will be left blank for each month of the waiting period.

This is because you have no offer of coverage after a waiting period that has determined an employee as full-time. See page 10 of the 1095-C instructions from the IRS, Limited Non-Assessment Period Definition.

When this option is **not** used in this situation:

<i>Month</i>	Jan.	Feb.	Mar.	Apr.	May
<i>Line 16 Code</i>				2B	2B
<i>Status</i>	Full-Time	Full-Time	Full-Time	Part-Time	Part-Time
<i>Hours</i>	130	130	130	100	100

**Note:** 2D entered on Line 16 means that the employee was in a waiting period.

### Declines do not override 2B/2D

This option can only be used with the monthly measurement period method.

When this option is selected, the program will report the 2D and 2B codes on Line 16 until the end of the waiting period, after which the program will report the offer code on Line 14 and the Affordability Safe Harbor on Line 16.

If this option is **not** selected, when an employee declines coverage, the program will report the offer code on Line 14 and the Affordability Safe Harbor code on Line 16 after the decline date.

### **2D does not override 2B**

This option can only be used with the monthly measurement period method.

When this option is selected, the logic that decides whether a 2D or 2B code is reported for a month, when both codes potentially apply, is reversed.

- **Default**  
The *default* logic will use 2D in any case where both 2D and 2B apply during waiting period months.
- **Reverse**  
The *reverse* logic will report 2B rather than 2D in the case of an employee that is considered part-time during the second and third month of the ACA waiting period. The initial month an employee works full-time will always be reported with a 2D code.

### **Use 2G with 1A on declines**

This option is selected by default. When selected, this option will automatically enter a 2G code on Line 16 when both of the following are true:

- 1A is populated on Line 14.
- The employee has a decline record entered that applies to that month.

**1A** entered on Line 14 indicates that you offered a qualifying offer of coverage that is affordable based on the federal poverty line, to that employee, their spouse, and their dependents, if any, during that month.

**2G** entered on Line 16 means you offered coverage to an employee that was considered affordable based on the federal poverty line, but they were not enrolled.

If 1A is entered on Line 14 and nothing is entered on Line 16, that tells the IRS that a qualifying offer of coverage was made, but they were not enrolled.

If 1A is entered on Line 14 and 2G is entered on Line 16, that also tells the IRS that a qualifying offer of coverage was made, but they were not enrolled.

The difference is whether you want to have codes entered on Line 16 or if you want them to be left blank. If you want codes entered, keep this option selected.

### **Treat outstanding applications as declines**

Select this option if you have Outstanding Benefit Application records you would like to treat as declines. These are Health Benefit records that have the **Appl. Not Returned** checkbox selected. The program will use the **Date Offered** entry, on the Health Benefit record, as a starting month for the affordability code on Line 16. (See the following image.) That code will be used from that month on, until a different Line 16 code applies.

Enter Insurance Coverage

Employee: EMPLOYEEFIRST ☐ Pre-Enrollment

Benefit Provider: UNITED AG

Benefit Plan: PBS

Date Eligible: 03/01/2018 Date Offered: 03/01/2018

☒ Appl. Not Returned Appl. Returned On:

### Default Decline Date

(No longer applicable.)

### Incomplete Lookback Period

If you are using the lookback measurement period method, enter the code to use for employees that are terminated before the end of the waiting period.

This is a 'special case' code for a situation that is open to interpretation. Depending on your interpretation of the regulations, employees in this situation may have either no code, 2D or 2B reported for the months that they worked. The IRS has provided no guidance on how these employees should be reported.

### Method Transition

Do **not** use this option unless given specific instructions from Datatech.

This setting is used if you are transitioning from a monthly measurement period to a lookback measurement period. This affects the logic used to evaluate the full and part-time status during the year.

### Transition Date

Do **not** use this option unless given specific instructions from Datatech.

This setting is used in connection with Method Transition. Enter the effective date of your method transition. Employees that start their employment after the transition date will be evaluated according to the new lookback measurement period, which should be designated by your default category.

# 1095-C Reports

1095-C Reports can be used to review the information that has been compiled before printing the actual forms.

## What reports should I run?

Start by running a report for **All Employees**, checking for any errors in each employee's full or part-time status.

If you discover a full-time employee is incorrectly showing a part-time status, you can use this report to find where the problem may be coming from. If an error is found, you will need to correct the information that caused the error and recompile that transaction. See [Section 1, Review Employee Records](#) for help in correcting employee files.

After you have determined all full-time 1095-C transactions are correct, run a report for **Full Time Employees Only**. Use this report to check each full-time 1095-C transaction for accuracy.

**Important:** All employees that worked at least one month full-time during the calendar year, must receive a 1095-C form. Blank codes on Line 16, may indicate to the IRS that you are subject to penalties. They mean you either did not offer coverage or you did offer coverage but failed to enter an accurate Coverage or Decline record in their Employee file.

The information to follow will show you how to run and print a 1095-C report.

1. Go to **ACA > Annual Reports > 1095-C Reports**.

Print 1095-C Reports

Year: 2018

Report Type...

☒ Line 16 Codes ☐ Line 14/15/16 Codes, Hours

☐ Line 14 and 16 Codes ☐ Self Insured Enrollment Audit

Select...

☒ All Employees ☐ Full Time Employees Only ☐ Part Time Employees Only

Reviewed Status...

☒ All Forms ☐ Reviewed Only ☐ Unreviewed Only

Address Selection...

☒ All Employees ☐ Bad/Missing Addresses Only ☐ Complete Addresses Only

Full Time In: Any Month

☐ Only Print Employees With No Line 16 Code in 1 or more months and no offer code (1H on line 14)

☐ Print Record ID

Select Line 14 Code: used in any month

Select Line 16 Code: used in any month

ACA Category:

Preview Print Setup Print Cancel



2. Type the calendar year you just compiled in the **Year** entry. (Format YYYY)
3. Select a report type and any other options you wish to include in your report.

**For more information:** If you would like a more detailed explanation of the options available on this report, see [1095-C Reports Reference Information](#).

4. Click **Preview** to review. The following image is an example of this report.

1095-C Line 16 Report

Year: 2017

1095-C Line 16 Report

Trans #	Acct #	Employee Name	All 12 Months	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	FT
3319	2	EMPLOYEELAST, EMPLOYEE	2A	2D	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	✓
3320	3	2LAST, 2FIRST	2A	2A	2D	2D	2D	2C	2C	2C	2C	2C	2A	2A	2D	✓
3321	4	3LAST, 3FIRST	2A	2D	2D	2D	2D	2C	2C	2C	2C	2C	2C	2C	2C	✓
3322	9	11LAST, 11FIRST	2A	2A	2D	2D	2D	2C	2C	2C	2C	2C	2C	2C	2C	✓
3323	10	14LAST, 14FIRST	2A	2A	2A	2A	2A	2A	2A	2A	2A	2A	2D	2A	2A	✓
3324	20	12LAST, 12FIRST	2A	2A	2A	2A	2A	2G	2G	2G	2G	2G	2A	2A	2A	✓
3325	62	13LAST, 13FIRST	2A	2G	2G	2G	2G	2A	2A	2A	2A	2A	2A	2A	2A	✓
3326	100	4LAST, 4FIRST	2A	2A	2A	2A	2G	2G	2G	2G	2G	2G	2G	2A	2A	✓
3327	116	5LAST, 5FIRST	2A	2A	2A	2A	2D	2D	2C	2C	2C	2C	2C	2C	2C	✓
3328	167	6LAST, 6FIRST	2A	2A	2A	2A	2A	2A	2G	2G	2G	2G	2A	2A	2A	✓
3329	181	8LAST, 8FIRST	2A	2A	2A	2A	2D	2C	2C	2C	2C	2C	2C	2C	2C	✓
3330	200	9LAST, 9FIRST	2A	2A	2A	2A	2A	2A	2G	2G	2G	2G	2A	2A	2A	✓
12 employees			Full-time counts:	0	1	5	5	6	7	10	10	8	4	1	1	
298 full-time employees																
107 non-full-time employees																

# 1095-C Reports Reference Information

The following information gives a brief explanation of the options available on this window:

## Report Type...

- **Line 16 Codes**

This option will list all of the series 2 codes that have been compiled. The report will also display the full or part-time status of your employees and how many non-full-time employees you have.

- **Line 14 and 16 Codes**

This option will list, on separate lines, all of the series 1 and 2 codes that have been compiled.

- **Line 14/15/16 Codes, Hours**

This option will list the series 1 codes, line 15 costs, series 2 codes, and the number of hours worked by each employee on separate lines.

- **Self-Insured Enrollment Audit**

This option is used for employers with a self-insured plan. This report compares the 2C codes entered on Part II of your 1095-C forms, with the months that employees are enrolled in coverage on Part III. If any discrepancies are detected, it will print the information for you to correct.

## Select...

Choose from the following options which 1095-C transactions you wish to include in your report:

- **All Employees**

- **Full-Time Employees Only**

These are forms that get reported to the IRS.

- **Part-Time Employees Only**

These are forms that will **not** get reported to the IRS.

## Address Selection...

- **Bad/Missing Addresses Only**

This report will only include employees with addresses selected as *Bad* in their employee file or employees that do not have an address entered. See the following image:

The image shows a software window titled "Address Selection...". It contains four input fields: "Mailing Address:" (a single line), "City/State/Zip:" (three separate boxes for city, state, and zip), "Street Address:" (a single line), and another "City/State/Zip:" (three separate boxes). To the right of the first "Mailing Address:" field is a checkbox with a red checkmark and the label "Bad".

- **Complete Addresses Only**

This report will only include employees that have a complete address in their file.

### **Reviewed Status...**

These options may be used to track your progress as you review transactions, or to search for specific, reviewed or unreviewed, transactions.

- **Reviewed Only**

This report will include only the 1095-C transactions that have already been registered as reviewed.

- **Unreviewed Only**

This report will include only the 1095-C transactions that have not been registered as reviewed.

### **Full Time In**

This option will only be available if you have selected **Full Time Employees Only** in the Select section. It allows you to filter your transactions by the specific month(s) in which employees were full-time. You can further filter your search with the additional options below.

### **Only Print Employees With No Line 16 Code**

When this is selected, your report will show you which transactions are missing Line 16 codes.

The box that follows allows you to specify how many months an employee can be missing codes before you would like them to be included in your report.

**Example:** If you do not want to see employees who are only missing one month of Line 16 codes, type '2' in the box. This will only include employees who are missing Line 16 codes for two or more months.

**Note:** If you have selected a month in the **Full Time In** entry, this report will only show employees that worked full-time during the chosen month that have Line 16 code(s) missing.

### **And no offer code (1H on Line 14)**

This option is only available when you have selected **Only Print Employees With No Line 16 Code**.

Use this option if you report 1A on Line 14 and you chose to leave Line 16 blank. (Refer to [Use 2G with 1A on declines](#) for more information.) This option allows you to search for any other blank Line 16 codes, without seeing the lines you intentionally left blank, by searching for no offer codes on Line 14.

### **Print Record ID**

Record IDs are only created after you have generated your electronic 1095-C files to upload to the IRS. After the IRS e-Services site processes your files, you may download an Acknowledgement file that references a specific Record ID within your electronic files. Using this option allows you to quickly determine which transaction they are referring to.

### Select Line 14/16 Code

If you would like to include only certain Line 14 or 16 codes in your report, enter the code(s) here and select **used in any month** or **not used in any month**.

With the **Select Line 14 Code** entry, you also have the option to choose 'used in same month as line 16 code'.

**Example:** If you would like a report for employees that were offered coverage and were enrolled in any month, type '1A' in the **Select Line 14 Code** entry and choose **used in same month as line 16 code**.

Then type '2C' in the **Select Line 16 Code** entry and choose **used in any month**.

Select Line 14 Code: 1A used in same month as line 16 code  
Select Line 16 Code: 2C used in any month  
ACA Category:  
Preview Print Setup Print Cancel

### ACA Category

This option is only used if you utilize more than one Category/Method.

### Preview

The following sample report demonstrates the results for these options:

- Report Type...Only Line 16 codes.
- Select...All Employees.
- Address Selection...All Employees
- Reviewed Status...Reviewed Only

**Note:** Total counts of full-time and non-full-time transactions appear on the last page of all reports.

1095-C Line 16 Report

Year: 2017

Trans #	Acct #	Employee Name	All 12 Months	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec	FT
3319	2	EMPLOYEELAST, EMPLOYEE	2A	2D	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	2C	✓
3320	3	2LAST, 2FIRST	2A	2A	2D	2D	2D	2C	2C	2C	2C	2C	2A	2A	2D	✓
3321	4	3LAST, 3FIRST	2A	2D	2D	2D	2D	2C	2C	2C	2C	2C	2C	2C	2C	✓
3322	9	11LAST, 11FIRST	2A	2A	2D	2D	2D	2C	2C	2C	2C	2C	2C	2C	2C	✓
3323	10	14LAST, 14FIRST	2A	2A	2A	2A	2A	2A	2A	2A	2A	2A	2D	2A	2A	✓
3324	20	12LAST, 12FIRST	2A	2A	2A	2A	2A	2A	2G	2G	2G	2A	2A	2A	2A	✓
3325	62	13LAST, 13FIRST	2A	2G	2G	2G	2G	2A	2A	2A	2A	2A	2A	2A	2A	✓
3326	100	4LAST, 4FIRST	2A	2A	2A	2A	2G	2G	2G	2G	2G	2G	2A	2A	2A	✓
3327	116	5LAST, 5FIRST	2A	2A	2A	2A	2D	2D	2C	2C	2C	2C	2C	2C	2C	✓
3328	167	6LAST, 6FIRST	2A	2A	2A	2A	2A	2A	2G	2G	2G	2A	2A	2A	2A	✓
3329	181	8LAST, 8FIRST	2A	2A	2A	2A	2D	2C	2C	2C	2C	2C	2C	2C	2C	✓
3330	200	9LAST, 9FIRST	2A	2A	2A	2A	2A	2A	2G	2G	2G	2A	2A	2A	2A	✓
12 employees																
Full-time counts:			0	1	5	5	6	7	10	10	8	4	1	1		
298 full-time employees																
107 non-full-time employees																

# Section 3: Review & Edit Forms 1095-C

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## Review & Edit 1095-C Forms

After your 1095-C information has been compiled, you can use the **Enter/Edit 1095-C** window to review and edit what you've compiled.

You can also use this window to manually enter 1095-C files into the program. This may be needed if you have not used the HR program and need to manually create 1095-C forms. Or you have employees that were enrolled in coverage, but were not tracked through the program. The entries on this window will correspond to the information printed on the 1095-C forms.

### Shortcut Buttons

When reviewing 1095-C information, you may need to view or edit information on an employee's account, review check totals, or recompile corrected information for individual 1095-C forms. The following shortcuts are available on all tabs of the Enter/Edit Form 1095-C window:

- **Print 1095-C's...**

Click to open the **Print 1095-C Forms** window. Single or multiple transactions can be printed as needed.

- **Check Report...**

Click to open the **Print Custom Payroll Check Report** window. On this window you can print a report to verify hours and pay periods on check records. The program will automatically load the employee that is currently displayed and the dates for the calendar year that you are reviewing. This report is similar to the Employee Check Detail Report, but the report columns can be customized.

This report is useful if you have questions about the hours compiled for each month, listed on the Monthly Hour Totals tab.

**Note:** This summary will **not** match the hours compiled when your Category uses the **Pay Period Including Starting Date** method.

- **Employee...**

Click to open the **HR Employee View** window. The employee's account will automatically load for you to view or edit. If you make any changes to the employees account, click **Save**.

- **Recompile...**

To recompile an individual 1095-C form, click the **Recompile** shortcut. This will open the Compile 1095-C Information window and automatically populate the employee's account number. After you click Compile, the old transaction will be deleted and the new 1095-C transaction will be displayed on the Enter/Edit 1095-C window.

The following instructions assume you are reviewing and editing one employee transaction at a time.

### 1. Go to ACA > Annual Reports > Edit 1095-C Information.

The screenshot shows the 'Enter/Edit Form 1095-C' window with the '1095-C Lookup' dialog box open. The dialog box contains a table of transactions for the year 2018. The 'Tax Year' is set to 2018, 'Status' is set to 'All', and 'Full Time Only' is checked. The table lists transactions with columns for Transaction #, Employee #, Tax Year, Last Name, First Name, F/T, and Rev.

Transaction #	Employee #	Tax Year	Last Name	First Name	F/T	Rev
3319	2	2018	EMPLOYEELAST	EMPLOYEEFIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3320	3	2018	2LAST	2FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3321	4	2018	3LAST	3FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3322	9	2018	11LAST	11FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3324	20	2018	12LAST	12FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3325	62	2018	13LAST	13FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3326	100	2018	4LAST	4FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3327	116	2018	5LAST	5FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3328	167	2018	6LAST	6FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3329	181	2018	8LAST	8FIRST	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### 2. Transaction #

Click the lookup button and select a specific 1095-C to view or edit. Each 1095-C form is assigned a unique transaction number.

At the bottom of the 1095-C Lookup window, you can specify your search by Tax Year, Status, and Full Time Only.

### 3. Full Time

If the employee's transaction should show a status of full-time in at least one month of the year, ensure the **Full Time** checkbox at the top of the window was automatically selected (as shown in the following image). If it appears incorrect, use the shortcut buttons to find the errors, edit the information, and recompile the 1095-C.

The screenshot shows the 'Enter/Edit Form 1095-C' window. The 'Transaction #' is 3319, 'Tax Year' is 2018, and the 'Full Time' checkbox is checked. The employee's name is JGUTIER. The window also includes fields for 'Account #', 'Name Key', 'Last Name', and 'First Name'.

## Form 1095-C

The **Form 1095-C** tab includes all of the information that will be printed on the 1095-C form.

1. Review all information entered on this tab. If any of the information appears incorrect, use the shortcut buttons to find the errors, edit the information, and recompile the 1095-C. See the following information for reference.

## Form 1095-C Reference Information

The following information is for your reference when reviewing the **Form 1095-C** tab.

### Plan Start Month

A “00” entered in the Plan Start Month entry and “1H” in Line 14 indicate that no plan was offered to all employees. If this is not correct, check your [Medical Plan Setup](#).

### 14 Offer of Coverage

If an offer was made, the 1095-C compile will populate this entry with the code for the medical plan offered to all employees. If an offer was not made, 1H will be populated in this entry.

### 15 Employee Share

Shows the amount the employee paid per month. It is calculated based on the employee share costs, found on the Medical Plan setup, for the plan that is offered to all employees. This is an average monthly amount calculated by the software.



**Example:** If an employee had a payroll deduction of \$20 a week, the software will multiply the weekly amount by 52 weeks and divide it by 12 months. This would arrive at an average monthly amount of \$86.67.

No amount will be populated when code 1A is in Line 14 and 2G is in Line 16. This is because the IRS instructions say, “Complete line 15 only if code 1B, 1C, 1D, 1E, or 1K is entered on line 14, either in the *All 12 Months* box or in any of the monthly boxes.”

## 16 Safe Harbor

Placing your mouse pointer over a Line 16 code will display a tooltip that will list the codes that apply for that month, along with the reasons the codes were used. (Those reasons can also be found under the Monthly Hour Totals tab.)

The last code listed in the tooltip is the code the program will use when reporting to the IRS. If a code was edited manually by a user, it will appear as the last entry in the tooltip. See the following image:

	All 12 Mo.	January	February	March	April	May	June	July	August	September	October	November	December
14 Offer of Coverage	1H	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde	<Unde
15 Employee Share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Safe Harbor	<Unde	<Unde	<Unde	2D	2D	2B	2B	2B	2A	2A	2A	2A	2A

☐ Check this box if employer provided self-insured coverage and list individuals below.

If no code applies for a given month, the program will display the hours of service the employee had for that month.

## Manually Editing Codes

If you manually edit a code, the program will save the manual entry and overwrite what was populated by the Compile process. To report the edited code, you must print your 1095-C forms without recompiling.

**Caution:** If you recompile your 1095-C information **after** you have made manual edits, all edits will be **lost** and will need to be made again. This is because the Compile function returns to the source of the information found in your Category Setup, Medical Plan Setup, Payroll settings, and Health Benefit records.

For this reason, we recommend that you correct your information from the source, rather than manually edit the 1095-C transaction. Doing so ensures that if the transaction were to be deleted by mistake, it could always be compiled again and report the same codes.

## Part III – Covered Individuals

The 1095-C compile will only fill in this section if the medical plan being offered to all employees is a self-insured medical plan. The Self-Insured checkbox on the Medical Plan setup must be checked in order for this section to be populated. All dependents covered by the insurance must be listed in the Dependents tab on the Employee file.

## Monthly Hour Totals

The **Monthly Hour Totals** tab contains the information from payroll that is used to determine the Line 16 codes. This information is mainly used with the monthly measurement period method. For each month, the program compiles the hours of service and the full-time hours required for that month. This is how the program determines whether or not the employee's status is full or part-time for a given month. The status always depends on the number of hours in the prior month.

2. Review the following information on each transaction:

- Total **Hours of Service** for each month.
- Total **Full Time Hours** needed for that status for each month.

**Note:** When your category uses the Pay Period Including Starting Date period, you will need 120 hours in months with 4 pay periods and 150 hours in months with 5 pay periods.

- The grid displaying the month, logic step #, resulting code, and reason.

Enter/Edit Form 1095-C

Transaction #: 3731 Tax Year: 2018 ☐ Full Time ☐ Corrected (Employee) ☐ Corrected (IRS) Reviewed

Form 1095-C Monthly Hour Totals Employment/Coverage

Month	Hours of Service	Full Time Hours
January:	0.00	130
February:	0.00	130
March:	0.00	130
April:	0.00	130
May:	41.76	130
June:	0.00	130
July:	35.90	130
August:	0.00	130
September:	0.00	130
October:	0.00	130
November:	0.00	130
December:	0.00	130

First Offer Date:

Month	#	Code	Reason
1	12A	No hours in this month	
2	12A	No hours in this month	
3	12A	No hours in this month	
4	12A	No hours in this month	
5	12B	Employee was part time for month 05/01/2018-05/31/2018	
5	22D	First month worked of employment period 05/13/2018-07/28/2018	
6	12A	No hours in this month	
7	12B	Employee was part time for month 07/01/2018-07/31/2018	
8	12A	No hours in this month	
9	12A	No hours in this month	
10	12A	No hours in this month	
11	12A	No hours in this month	
12	12A	No hours in this month	

Print 1095-C's Check Report... Employee... Recompile... Save Clear Delete

If hour totals appear **incorrect**, you should review the following:

- Run a Custom Payroll Check Report by clicking the **Check Report...** shortcut, and ensure payroll was entered correctly for that employee. This report prints the hours of service amounts and provides a summary of hours of service by calendar month.
- [Check your Category settings](#) to see which **Salary Employee Method** is affecting the hours of service. (ACA > Setup > Categories).

- C. [Check their Employee file settings](#) for **ACA Employee Type** and **ALE Member Status** (Employees > Employee Entry > ACA tab).

## Employment/Coverage

3. Review all information entered on the **Employment/Coverage** tab. If any of the information appears incorrect, use the shortcut buttons to find the errors, edit the information, and recompile the 1095-C. See the following information for reference.

Enter/Edit Form 1095-C

Transaction #: 3319 ... Tax Year: 2018 ☒ Full Time ☐ Corrected (Employee) ☐ Corrected (IRS) Reviewed

Form 1095-C Monthly Hour Totals **Employment/Coverage**

**Employment:**

Period Start	Period End	Check Start	Check End	Measure Start	Measure End	Stability Start	Stability End	Hours
2/5/2017	1/6/2018	2/15/2017	1/10/2018					0.00

**Coverage/Declines:**

Provider	Plan	Date Eligible	Date Offered	Declined	Start Date	End Date
UNITED AG	PBS	1/1/2018	1/1/2018	<input type="checkbox"/>	1/1/2018	12/31/2018

Reviewed By: DATATECH  
Reviewed On: 09/18/2018 ...  
Review Time: 15:13  
Printed By:   
Printed On: ...  
Print Time:

Print 1095-C's Check Report... Employee... Recompile... Save Clear Delete

## Employment/Coverage Reference Information

The following information is for your reference when reviewing the **Employment/Coverage** tab.

### Employment

All employment periods are listed with their starting and ending pay period dates, and their check dates. If you are using the lookback method, each employment period will list their applicable measurement period dates, stability dates, and total hours.

For ACA purposes, an employment period ends when an employee does not work for 13 weeks (91 days). When using the lookback method, the employment periods determine when a measurement period starts and ends.

Double click on an entry in the Employment section to open the Print Custom Payroll Check Report window and print a report to review the checks and hours for that measurement period.

### Coverage/Declines

Any Coverage or Decline records that are in the employee's file, under their Health Benefits tab, that apply to the tax year, will be listed.

If an employee was Covered, Declined, Offered Coverage, or did not return his application, and there are no records shown in the Coverage/Declines section, click the **Employee** shortcut to add the record(s) to the employee's file.

### Reviewed/Printed By, On, Time

When you have used the Reviewed button on a transaction or have printed a 1095-C form, this is where the program will register the date, time, and name of the operator that reviewed or printed the form.

## Reviewing Transactions

The IRS recommends that you review each form that is generated to ensure the correct information has been reported.

### 4. Reviewed

When finished reviewing a single transaction, click **Reviewed** in the top right corner of the window. This will register, on the Employment/Coverage tab, the date, time, and name of the operator that reviewed the transaction. This will also cause the **Rev** checkbox, in the 1095-C Lookup window, to be checked.

Registering the review of each transaction may help demonstrate a 'good faith' effort was made to report the correct information.



# Section 4: Furnishing 1095-C Forms to Employees

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# Print 1095-C Forms (Employee Copies)

After you have reviewed all of the full-time 1095-C transactions, follow these steps to print your 1095-C forms:

1. Go to **ACA > Annual Reports > Print 1095-C Forms**.

**Print 1095-C Forms**

Tax Year to Print: **2018**

Select Form:

- ☐ Portrait Mailer
- ☐ Landscape IRS Form
- ☐ Landscape Blank Paper
- ☒ **Portrait Blank Paper**

☒ Print Employee Instructions

Print Order:

- ☒ Alphabetical
- ☐ Account #
- ☐ Social Security #
- ☐ Zip Code

Employees to Print:

- ☐ All
- ☐ Single
- ☐ Resume Printing
- ☐ Multiple
- ☒ **Reviewed/Unprinted Only**
- ☐ Unprinted Only
- ☐ Full Time December Only
- ☐ Corrected (Employee Copy)
- ☐ Part Time Only
- ☐ Unreviewed Only

Account #:  Name Key:

Name:

☐ Skip Employees With Bad/No Address (Employee Copy Only)

☐ Truncate Social Security Numbers (Employee Copy Only)

Export Addresses:

Vertical Offset:  Company Vert.:  Employee Vert.:

Horizontal Offset:  Company Horz.:  Employee Horz.:

**Preview**

2. Prepare your printer with any pre-printed 1095-C forms you have purchased.
3. Type the year you are printing in the **Tax Year to Print** entry. (Format YYYY)
4. Use the Select Form section to choose the form you are using to print. (Portrait Mailer and Landscape IRS Form will print onto preprinted forms. Portrait Blank Paper and Landscape Blank Paper will print the entire form.)
5. Use the Print Order section to choose which order you would like your forms printed.
6. Select **Reviewed/Unprinted Only** in the Employees to Print section.
7. Click **Preview**, test print only the first page in the preview in order to ensure your printing alignment is correct.

**Note:** If your alignment is not correct, see your Help files, Print 1095-C Forms, for information on how to correct the problem.

8. Click **Print** when your test print is successful.

## Print 1095-C Mailing Labels

To print mailing labels for your 1095-C forms, follow these steps:

1. Go to **Reports > Employee Lists > Mailing Labels**.

Employee Mailing Labels

Label Type: 4 - Dymo Label, 1"x3"

Starting Label #: 1

☐ Print Account # ☐ Print Social Security #

Employees to Print...

☐ All Employees ☒ 1095-C Full Time

☐ One Employee ☐ Corrected 1095-C's

☐ Multiple Employees Tax Year: 2018

Select...

Name Key: ...

Crew #: ...

Department: ...

Select by Check Issued After: / / ...

Select by Date Hired: / / ...

Starting Check #: 0

Ending Check #: 0

Employee Status:

☒ Active ☐ Inactive ☐ All

Print Order:

☒ Alphabetic ☐ Account # ☐ Social Security #

Preview Print Setup Print Cancel

2. Select your **Label Type**.
3. Select **1095-C Full Time** in the Employees to Print section and type the year in the **Tax Year** entry.
4. Choose the printing order in the Print Order section.
5. Click **Print Setup** to ensure the correct label printer settings are enabled.
6. Click **Print**.

# Section 5: Create Your 1094-C

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# Enter Form 1094-C

The 1094-C form accompanies any submissions of 1095-C forms to the IRS, it is a summary of your 1095-C forms. In most cases, you will submit a single 1094-C form (the Authoritative Transmittal) for each tax year. There are cases where multiple 1094-C forms may be submitted.

For that reason, the program allows you to have multiple 1094-C forms for the same tax year. Only one of these forms, however, should have the Authoritative Transmittal box checked. Whether you are filing on paper or electronically, you need to create your 1094-C form and either mail it or upload it electronically to the IRS with your 1095-C forms.

You must **MANUALLY** create your 1094-C form, it is not created automatically. It should only be created after you have completed and reviewed your 1095-C forms. Refer to the instructions provided by the IRS for information on how to properly fill out the form.

Entries in the Parts I & II, Part III, and Part IV tabs correspond to the boxes on the form itself. For the Authoritative Transmittal, you will need to fill out all applicable parts. The program will follow certain rules specified by the IRS when the form is printed. If you are not printing an Authoritative Transmittal form, Parts III and IV will not be printed.

To create your 1094-C, follow these steps:

1. Go to **ACA > Annual Reports > Enter/Print 1094-C Form**.

## Parts I & II

The screenshot shows the 'Enter/Edit 1094-C Form' application window. The 'Transaction #' field is empty, and the 'Tax Year' is set to 2018. The 'Reviewed' button is visible. The 'Parts I & II' tab is selected, and the 'Corrected' checkbox is unchecked. The 'Part I' section contains fields for 'ALE Member (Employer): Employer's Legal Name', 'Address', 'City, State & Zip', 'Contact Name', and 'Contact Phone'. The 'Contact Name' and 'Contact Phone' fields are highlighted with red boxes. The 'Total number of Forms 1095-C submitted with this transmittal' field is empty. The 'Check this box if this is the authoritative transmittal for this ALE Member' checkbox is checked. The 'Part II' section contains fields for 'Total number of Forms 1095-C filed by and/or on behalf of ALE Member', 'Check this box if the ALE Member is a member of an Aggregated ALE Group', 'Certification of Eligibility (select all that apply)', 'Title of Signer', and 'Date of Form'. The 'Certification of Eligibility' section has four options: 'A. Qualifying Offer Method', 'B. Qualifying Offer Method Transition Relief', 'C. Section 4980H Transition Relief', and 'D. 98% Offer Method'. The 'Date of Form' is set to 12/31/2018. The 'Print', 'Save', 'Clear', and 'Delete' buttons are at the bottom.

2. **Tax Year**

Enter the tax year you wish to compile a 1094-C form for. This must be entered before you make a compile.

3. Complete the **Parts I & II** tab, filling in all applicable entries. Do not manually enter the number of forms you are submitting in the *Total number of Forms 1095-C submitted with this transmittal* entry. The compile will automatically fill in this entry.

## Parts I & II Reference Information

The following information is for your reference when reviewing and entering information in the Parts I & II tab.

### Corrected

Only select this option if this is a corrected 1094-C form being reported to the IRS.

**For more information:** See [Section 7, Part 4, Correct a 1094-C Form](#).

### ALE Member (Employer)/Address/City, State & Zip

This section will be automatically filled in. The address should be complete, (including room or suite numbers if applicable.) This address should match the ALE Member's address used on the 1095-C forms.

This information is entered on the Tools > Program Setup > Main tab > Company Information tab. If the legal name of the company is different than the company name, type the legal name in the **Legal Name** entry on the Company Information tab. That will be the name used in the **ALE Member (Employer)** entry.

**Caution:** If any of this information is incorrect, your files may be rejected.

### Contact Name/Contact Phone

Type the name and telephone number of the person to contact who is responsible for answering any questions from the IRS regarding the filing of or information reported on Forms 1094-C or 1095-C. This will appear on lines 7 and 8 of the printed form.

### Total Number of Forms 1095-C submitted with this transmittal

Only enter the number of forms if you are *not* selecting the Authoritative Transmittal checkbox and you are *not* going to use the Compile button on the Part III tab. Otherwise, do not manually fill in this entry, this field will automatically be filled in after a compile has been done on the Part III tab.

### Check this box if this is the authoritative transmittal for this ALE Member

Select this option if this 1094-C is the **Authoritative Transmittal** for this ALE Member.

If this is not the Authoritative Transmittal, do not select this option and only fill out your contact information, Title of Signer, and Date of Form entries.

If an ALE Member files more than one 1094-C form, one (and only ONE) 1094-C form can be identified, on line 19, as the Authoritative Transmittal. The form identified as the Authoritative Transmittal must report certain aggregated data for all full-time employees and all employees, as applicable, of the ALE Member.

**Note:** No Authoritative Transmittal should be filed for an Aggregated ALE Group. Each ALE Member must file under its own separate EIN number.

**Total number of Forms 1095-C filed by and/or on behalf of ALE Member**

Do not manually fill in this entry. The program will automatically enter the total number of 1095-C forms that will be filed by and/or on behalf of the ALE Member, after a compile has been done on the Part III tab.

**Check this box if the ALE Member is a member of an Aggregated ALE Group**

Select this checkbox if during any month of the tax year being reported, the ALE Member was a member of an **Aggregated ALE Group**.

**Note:** If the ALE Member was a member of an Aggregated ALE Group, and this is the Authoritative Transmittal for that ALE Member, enter the name(s) and EIN(s) of the other Aggregated ALE Group members in the Part IV tab.

**Certification of Eligibility (select all that apply)**

Datatech cannot advise which option you should choose. For more information, consult your tax and/or legal advisor or refer to the current Instructions for Forms 1094-C and 1095-C, provided by the IRS.

**A. Qualifying Offer Method**

Select this option if the ALE Member is eligible to use, and is using, the *Qualifying Offer Method* to report the information on their 1095-C forms to certain employees.

**B. Qualifying Offer Method Transition Relief**

Currently a reserved space and not used.

This option was only available for certain years and should not be used from 2017 onward.

**C. Section 4980H Transition Relief**

Currently a reserved space and not used.

This option was only available for certain years and should not be used from 2017 onward.

**D. 98% Offer Method**

Select this option if the employer is eligible for and is using the *98% Offer Method*.

**Note:** If an ALE Member uses the *98% Offer Method*, it is not required to complete the *Section 4980H Full Time Employee Count For ALE Member*, in Part III. If you have selected the *98% Offer Method* checkbox, Part III will not include the *Full Time Employee Count For ALE Member*, even if you have those counts entered.

### Title of Signer

Type the title of the signer.

**Caution:** Some electronic submissions have been rejected when special characters have been used in the **Title of Signer** entry. Avoid using the forward slash (/) or backslash (\) symbols.

### Date of Form

Enter the date for which this 1094-C form is printed and signed.

## Part III

- Click the Part III tab and click **Compile**. A new Transaction number will be created for this compile. Take note of that number. Also review all the information that has been compiled, checking for accuracy.

Enter/Edit 1094-C Form

Transaction #: [ ] Tax Year: 2018 [ ] Reviewed [ ]

Parts I & II **Part III** Part IV

	Minimum Essential Coverage Offer Ind.	Full Time Employee Count For ALE Member	Total Employee Count For ALE Member	Aggregated Group Indicator	Section 4980H Transition Relief Ind.
November	<input type="checkbox"/>	[ ]	[ ]	<input type="checkbox"/>	<Unk v
December	<input type="checkbox"/>	[ ]	[ ]	<input type="checkbox"/>	<Unk v

Compile [ ]

Print [ ] Save [ ] Clear [ ] Delete [ ]

- The **Aggregated Group Indicator** checkboxes must be manually selected as applicable.

## Part III Reference Information

The following information is for your reference when reviewing the Part III tab. When verifying the full-time employee counts, keep in mind that employees in Limited Non-Assessment Periods are **not** included in the full-time employee count.

- Lookback Measurement Period**

Employees in an initial measurement period or the admin period for the initial measurement period will not be included in the count.

- Monthly Measurement Period**

Employees that are in a waiting period will not be counted.

## Compile

Click **Compile** to add up the counts from your 1095-C forms for the year. The program will fill in the full-time and total employee counts on the Part III tab as well as the total number of forms on the Parts I & II tab.

Following the compile, a report will be generated showing the counts for each month, along with a count of the number of employees that were offered coverage. This provides the basis for determining the status of the **Minimum Essential Coverage Offer Ind.** checkboxes. Examine this report for accuracy.

**Note:** If totals seem incorrect in your report, refer to [Section 3, Review & Edit 1095-C Forms](#) for information on how to find and correct the problem.

## Minimum Essential Coverage Offer Ind.

**Do not** manually select these checkboxes. After a compile, these checkboxes will automatically be checked based on your compiled information.

If the ALE Member offered minimum essential coverage to at least 95% (for 2018) of its full-time employees and their dependents for the entire calendar year, the **All 12 Months** checkbox will be selected. If they offered minimum essential coverage to at least 95% (for 2018) for certain calendar months, the applicable month's checkbox will be selected.

**Note:** If any checkboxes are not selected, the *No* checkbox for those months will automatically be selected and printed on your 1094-C form.

## Full Time Employee Count For ALE Member

**Do not** manually fill in these entries. After a compile, the program will automatically enter the number of full-time employees for each month, and will not count any employee in a Limited Non-Assessment Period.

## Total Employee Count For ALE Member

**Do not** manually fill in these entries. After a compile, the program will automatically enter the total number of all the ALE Member's employees, including full-time and non-full-time employees, along with employees in a Limited Non-Assessment Period, for each calendar month.

## Aggregated Group Indicator

These checkboxes are always **manually** selected by the user when applicable. If the ALE Member was a member of an Aggregated ALE Group during each month of the calendar year, select the **All 12 Months** checkbox. If the ALE Member was not a member all 12 months, but was a member of an Aggregated ALE Group for one or more months, select the checkbox(es) for the month(s) they were a member.

**Note:** If one or more months are selected, you must also complete Part IV.

## Section 4980H Transition Relief Ind.

Currently a reserved space and not used.

This option was only available for certain years and should not be used from 2017 onward.

## Part IV

If your company is part of an ALE Group, you must list the group members on the **Part IV** tab.

6. Click the **Part IV** tab and enter the group members in the grid. Then click **Save**.
7. **Reviewed**  
Click **Reviewed** when you have ensured all information on your 1094-C is correct, this will create an internal time stamp.

The screenshot shows a software window titled "Enter/Edit 1094-C Form". At the top, there are input fields for "Transaction #:" and "Tax Year:" (set to 2018), and a "Reviewed" button. Below these are tabs for "Parts I & II", "Part III", and "Part IV" (which is selected). The main area contains a table with three columns: "Company Name", "EIN", and "Name Ctrl". The table has five rows, with the first row highlighted. At the bottom of the window are buttons for "Print", "Save" (highlighted with a red box), "Clear", and "Delete".

## Part IV Reference Information

The following information is for your reference when entering information in the Part IV tab.

### Company Name

Type the name(s) and EIN(s) of other ALE Members of the Aggregated ALE Group (who were members at any time during the calendar year). Ensure you have entered the legal name that is on record with the IRS for each employer. The IRS may verify that the company name you report matches their records.

### EIN

Ensure you have entered the 9-digit ALE Member's EIN number, including the dash.

**Caution:** A valid EIN is required at the time the form is filed. If a valid EIN is not provided, your 1094-C will not be processed.

### Name Ctrl

Type the Name Control of the other ALE Members of the Aggregated ALE Group. This will be included in the electronic file being uploaded to the IRS.

# Section 6 (Part 1): File Information Returns

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# Paper Filing Forms 1094-C & 1095-C

## Print IRS Copies

If filing on paper, forms must be mailed no later than **February 28**. The following steps will show you how to print IRS copies of 1095-C forms.

1. Go to **ACA > Annual Reports > Print 1095-C Forms**.

Print 1095-C Forms

Tax Year to Print: 2018

Select Form:

- ☐ Portrait Mailer
- ☐ Landscape IRS Form
- ☒ Landscape Blank Paper
- ☐ Portrait Blank Paper
- ☒ Print Employee Instructions

Print Order:

- ☒ Alphabetical
- ☐ Account #
- ☐ Social Security #
- ☐ Zip Code

Employees to Print:

- ☒ All
- ☐ Single
- ☐ Resume Printing
- ☐ Multiple
- ☐ Reviewed/Unprinted Only
- ☐ Unprinted Only
- ☐ Full Time December Only
- ☐ Corrected (Employee Copy)
- ☐ Part Time Only
- ☐ Unreviewed Only

Account #:  Name Key:

Name:

☐ Skip Employees With Bad/No Address (Employee Copy Only)

☐ Truncate Social Security Numbers (Employee Copy Only)

Export Addresses:

Vertical Offset: 0.0000 Company Vert.: 0.7000 Employee Vert.: 2.6400

Horizontal Offset: 0.0000 Company Horz.: 0.0900 Employee Horz.: 0.0900

2. Enter the Tax Year to Print
3. Select either **Landscape Blank Paper** (which will print both sides when the **Print Employee Instructions** checkbox is selected), or select **Landscape IRS Form** (which will print the information on your pre-printed forms).
4. Select **All** under the Employees to Print section. (This will include only full-time 1095-C forms, as only these are reported to the IRS.)
5. Click **Preview**, test print only the first page in the preview in order to ensure your printing alignment is correct.

**Caution:** If your alignment is not correct, see your Help files, *Print 1095-C Forms*, for information on how to correct the printing alignment.

6. Click **Print**.



## Mailing IRS Copies

7. To finish your **paper file**, properly address and mail the Form 1094-C together with all of the Forms 1095-C on or before the due date of **February 28**, in order to meet IRS requirements.

**Note:** Check the current Instructions for Forms 1094-C and 1095-C for information regarding obtaining the correct IRS mailing address for your state and for a 30-day extension of time to file, if necessary.

# Electronic Filing Forms 1094-C & 1095-C

If you are paper filing your ACA Information Returns, this does not apply to you.

**Remember:** If you have over 250 1095-C forms to submit to the IRS, you are required to file electronically.

*Section 6, Parts 1 & 2*, are for Datatech customers who have not registered with the IRS for an e-Services user account, and plan to file electronically using Datatech's HRM program. Registering for a user account and applying for a TCC, will allow you to use Datatech's software to create and upload electronic return files. It will also allow you to process the IRS Acknowledgment file in order to create Solicitation Notices for employees.

If you already have a TCC code in production status for uploading electronic files to the IRS e-Services website, continue to [Section 6, Part 3, Generate Electronic Files](#).

**Caution:** Due to possible refinements of the IRS website, the following images and instructions are subject to change at any time.

## Who should register for an account?

A minimum of two **Responsible Officials** and two **Contacts** within your company must create an e-Services user account. The Responsible Officials may also be the Contacts (listed separately) on the application.

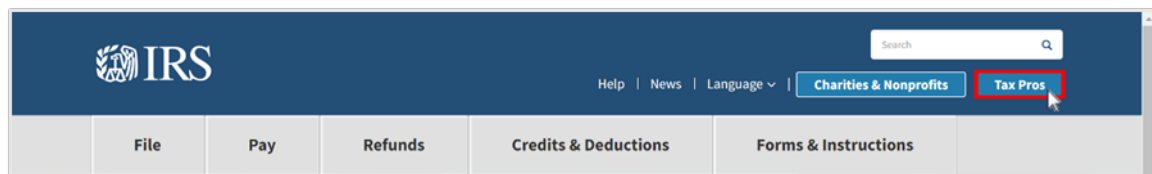
## Who is a Responsible Official?

Responsible Officials are individuals with responsibility for the authority over the electronic filing of ACA Information returns. They are also the first point of contact with the IRS, who have authority to sign the original/revised ACA Application for TCC. Responsible Officials are responsible for ensuring all requirements are adhered to.

## Register for an e-Service User Account

To register for an e-Service User Account, use this [Create Account](#) link and proceed to [Step 6](#). If you are unable to use the link, follow these steps:

1. Go to [www.irs.gov](http://www.irs.gov) and click **Tax Pros**.



2. Click **Access E-Services**.

[Home](#) > Tax Professionals

## Tax Professionals

English

**Enrolled Agents**

Annual Filing Season Program Participants

Enrolled Retirement Plan Agents

Certified Professional Employer Organization (CPEO)

**e-Services**

Online Tools for Tax Professionals

**Access E-Services**

**PTIN System**

Status: ● Online

Renewal and registration remain open for 2018.

**Login**

3. Scroll down to e-Services Applications and click **Affordable Care Act (ACA) Services**.

**e-Services Applications**

Maintenance is scheduled every Sunday from 12 a.m. - 11 a.m. Eastern time. The system may be unavailable during this time.

e-Services only supports Internet Explorer 9 and above.

**[Transcript Delivery System \(TDS\)](#)**

Use TDS to view client's return and account information.

**[TIN Matching](#)**

Validate TIN and name combinations prior to submitting information returns. Bulk and interactive options available.

**[E-file Provider Services](#)**

Apply and participate in the e-filing of tax returns.

**[Affordable Care Act \(ACA\) Services](#)**

Apply and participate in the e-filing of ACA Information returns.

**Secure Object Repository (SOR)**

Retrieve transcripts and TIN Matching results from the secure mailbox.

**Access SOR**

**Subscribe to Alerts**

[e-Services system](#)

[Scams](#)

4. Click **Access ACA Application for TCC**.

**Enrolled Agents**

Annual Filing Season Program Participants

Enrolled Retirement Plan Agents

Certified Professional Employer Organization (CPEO)

Enrolled Actuaries

E-File Providers

Modernized e-File

**ACA Application for TCC**

Use the ACA Application for TCC to participate in electronic filing of ACA Information Returns (Forms 1094-B, 1095-B, 1094-C and 1095-C).

Participants can receive a TCC for three different roles:

- Transmitter,
- Software Developer and/or
- Issuer.

The Responsible Officials and Contact listed on the application must complete the Secure Access Registration process before starting the application process. For more information on electronic filing of ACA Information returns, refer to the AIR Program below.

**Access ACA Application for TCC**

\*requires login credentials

5. Click **Create Account**.

The screenshot shows a web interface with two main sections: 'Sign Up' and 'Log In'. The 'Sign Up' section on the left includes the text 'Don't have an account? Create one now.' and a blue button labeled 'CREATE ACCOUNT >' which is highlighted with a red rectangular border. The 'Log In' section on the right includes the text 'Already have a username? Welcome back!', a label 'Username' above a text input field, a blue button labeled 'LOG IN >', and a blue link labeled 'Forgot Username'.

6. Complete the registration process. You will need the following personal information and materials to complete your registration.

**Tip:** You may want to have your most recent tax return available during this process to use as a reference.

- Full Name
- Email
- Birthdate
- Social Security Number or Individual Tax Identification Number
- Tax filing status
- Current address

To **verify your identity**, you will need a number from ONE of your financial accounts. This information will only be used to verify your identity, you will not be charged any money and are not sharing any account balances or other financial information. Any of the following can be used:

- Credit Card
- Student Loan
- Mortgage or Home Equity Loan
- Home Equity Line of Credit
- Auto Loan

You will also need a **mobile device** in order to verify your identity. Your phone must meet the following requirements:

- A U.S. based mobile phone number registered in your name.
- Able to receive text messages.

At the conclusion of the registration submission, the IRS will provide instructions for how to complete the process.

# Apply for a Transmitter Control Code (TCC)

Your e-Services user account registration must be **completed** before you can apply for your TCC. After you create an account, you will have access to the ACA Application for TCC.

Refer to the IRS [Tutorial for ACA Application for TCC](#) for more detail. The following information is a brief guide on how to apply for your TCC.

## Which ACA Transmitter Control Code should I apply for?

- **Issuer:** A business electronically filing their own ACA Information Returns.
- **Transmitter:** A third-party electronically filing information returns directly to the IRS on behalf of any business. (If you will also be filing returns for your own company, you will not need both the Transmitter and Issuer role. You can file all returns as a Transmitter.)

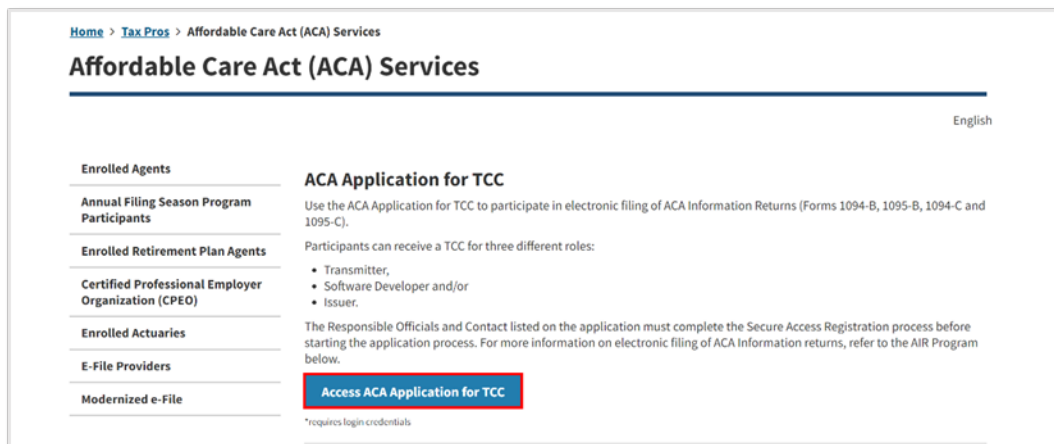
## Who fills out the application?

Only one Responsible Official will fill out the TCC application by completing the following steps. Once an application has been filled out and all Responsible Officials have been added to the application, those Responsible Officials can then log in to their own IRS e-Services accounts and sign the application with the PIN created during the registration process.

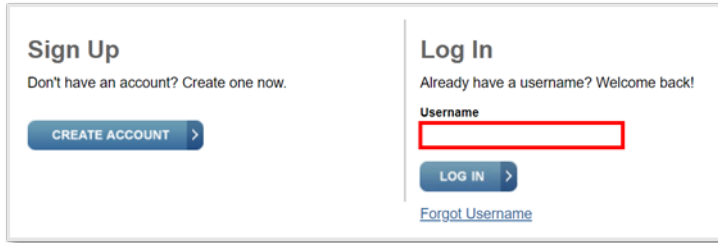
**Note:** All Responsible Officials must sign the application before it can be completed.

To apply for a TCC, follow these steps:

1. Go to [www.irs.gov](http://www.irs.gov) and click Tax Pros > Access E-Services > Affordable Care Act (ACA) Services > [Access ACA Application for TCC](#).



2. **Log in** using the username and password you created during the e-Services registration process. When you log in, you should see the site image/phrase you chose during the completion of your registration. These should appear every time you log in.



The image shows a web form with two columns. The left column is titled 'Sign Up' and contains the text 'Don't have an account? Create one now.' and a blue button labeled 'CREATE ACCOUNT >'. The right column is titled 'Log In' and contains the text 'Already have a username? Welcome back!'. Below this text is a text input field labeled 'Username' with a red border, and a blue button labeled 'LOG IN >'. At the bottom of the right column is a blue link labeled 'Forgot Username'.

3. Until the application has a Completed status, Responsible Officials should select the Individual option.

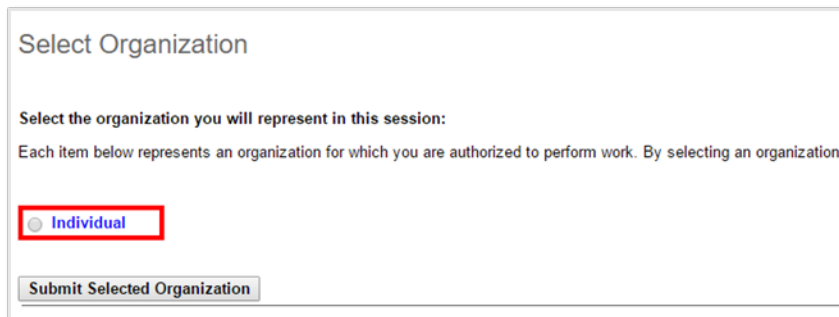
- **Individual**

You may edit your e-Services registration information or complete a new application.

- **Firm/Organization**

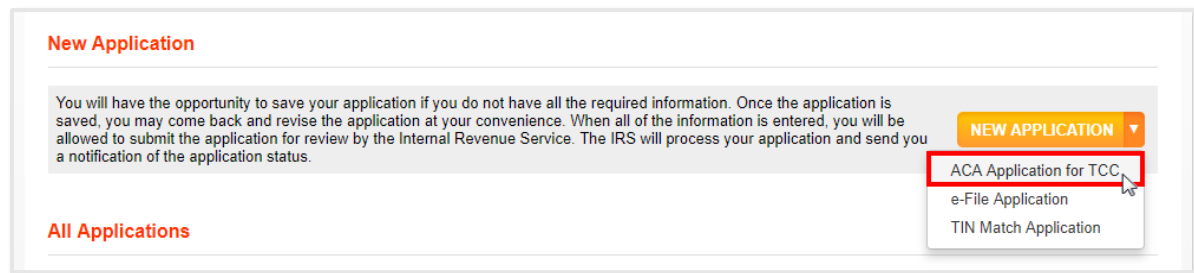
You may have one or more Firm/Organizations. Organizations that have completed the ACA application for TCC will have (ACA) in front of their organization's name.

Once a TCC application is completed, each user will have both the **Individual** and **Firm/Organization(s)** options. Individuals may be authorized to access multiple ACA Applications for TCCs. Select the appropriate organization for each session.



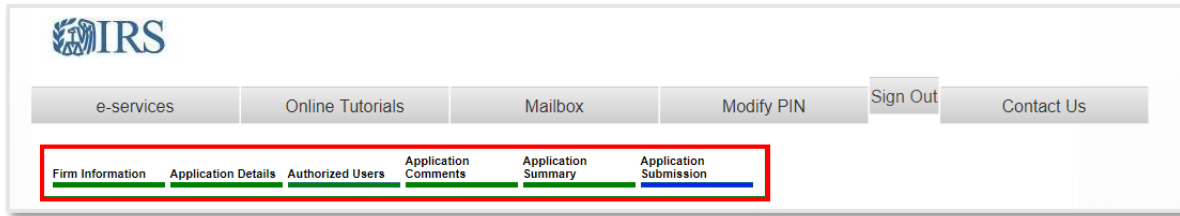
The image shows a web form titled 'Select Organization'. Below the title is the text 'Select the organization you will represent in this session:'. Below this is a paragraph: 'Each item below represents an organization for which you are authorized to perform work. By selecting an organization,'. Below the paragraph is a radio button labeled 'Individual' with a red border. At the bottom of the form is a button labeled 'Submit Selected Organization'.

4. Click **NEW APPLICATION** and select **ACA Application for TCC** from the drop-down.



The image shows a web form titled 'New Application'. Below the title is a paragraph: 'You will have the opportunity to save your application if you do not have all the required information. Once the application is saved, you may come back and revise the application at your convenience. When all of the information is entered, you will be allowed to submit the application for review by the Internal Revenue Service. The IRS will process your application and send you a notification of the application status.' Below the paragraph is a button labeled 'NEW APPLICATION' with a dropdown arrow. The dropdown menu is open, showing three options: 'ACA Application for TCC', 'e-File Application', and 'TIN Match Application'. The 'ACA Application for TCC' option is highlighted with a red border. Below the paragraph is a link labeled 'All Applications'.

Complete the following pages of the application. Track your progress using the bar at the top of the page, as shown in the following image:



## 5. Firm Information

Fill in all applicable entries.

## 6. Application Details

Fill in this section according to your title as Issuer or Transmitter.

- **Issuer**

When using Datatech software, select checkboxes *1094-C/1095-C* and *ISS-UI for ACA Internet Transmitter* under the Issuer section if you are a company who will transmit information returns directly to the IRS for only the company listed on the application.

- **Transmitter**

When using Datatech software, select checkboxes *1094-C/1095-C* and *ISS-UI for ACA Internet Transmitter* under the Transmitter section if you are a company who will transmit information returns on behalf of any business. If you are transmitting returns for your own company in addition to transmitting returns on behalf of another business, you can file all returns as a Transmitter.

## 7. Authorized Users

Add the Responsible Officials and Contacts required for the ACA Application for TCC. At least two Responsible Officials and two Contacts must be listed on the application. A Responsible Official can also be a Contact (listed separately) on the application.

**Tip:** To easily add a Responsible Official as a Contact, select the **Add this person as a Contact** checkbox when entering a Responsible Official.

**Remember:** Once added to the application, a Responsible Official can log in to their own account and sign the application you have created.

Doing Business as Name: DATA  
Application Type: ACA Application

**Authorized Users**

The Responsible Official is an individual with the IRS. They have authority to return the program adhered to. A Responsible Official is required for all applications. Contacts are required for all applications on a daily basis to answer IRS questions.

**Authorized User(s)**

Showing Items 1 to 6 of 6

Role Id	Organization Role
1	Responsible Official
1	Responsible Official
1	Responsible Official
2	Contact
2	Contact
2	Contact

Showing Items 1 to 6 of 6

**ADD** ▼

Responsible Official  
Contact

**CONTINUE** >

**Add Responsible Official**

Required fields are marked with an asterisk (\*) and must be completed to submit the form.

First Name\*  
Middle Initial  
Last Name\*  
Suffix  
TIN Type\*  
☒ SSN ☐ ITIN  
Social Security Number (SSN)\*  
Date of Birth (mm/dd/yyyy)\*  
Position or Title\*  
U.S. Citizen\*  
Email Address\*  
Phone Country Code\*  
001-United States/Canada  
Phone Number\*  
Extension  
☐ Add this person as a Contact  
**SAVE** > **Cancel**

If the information you entered for the Responsible Official does not match IRS records, they will not be added to the application and you will receive the following error message:

**Add Responsible Official**

1 error has occurred on the page. This error must be fixed before Continuing or Saving.

1. The person you have entered as Responsible Official does not match our records. One or more required fields of the person you have entered do not agree with our records. Please check the information you have entered.

Required fields are marked with an asterisk (\*) and must be completed to submit the form.

## 8. Application Comments

Add any desired comments to the application.

## 9. Application Summary

Verify all information is correct before selecting **Continue** to complete the Application Submission.

## 10. Application Submission

Each Responsible Official must sign the Application Submission using the **PIN** created during the e-Services registration process.

**Note:** The application will be processed after all Responsible Officials have entered their PIN and accepted the Terms of Agreement.



## 11. Application Confirmation

After the last Responsible Official has completed the Application Submission page, the following page will be displayed. Print the page and click **Ok**.

The screenshot shows the IRS e-services interface. At the top is the IRS logo and a navigation bar with links: e-services, Online Tutorials, Mailbox, Sign Out, and Contact Us. Below the navigation bar, there are input fields for 'Firm:' and 'EIN:'. The 'Application Type' is 'ACA Application for TCC' and the 'Tracking Number' is '2017032118373610'. The 'Application Status' is 'Submitted Pending Review'. The main heading is 'Application Submitted' with a 'Print | Home' link. A message states: 'Thank you for submitting your application to the IRS. Your application will be reviewed by the IRS. The IRS may need to contact you regarding any additional information that may be needed. Below is your Tracking Number. Please write this down or print this page for future reference.' A green box highlights the tracking number: 'Your tracking number is 2017032118373610'. At the bottom is an 'OK' button.

## Status Confirmation

12. After waiting 48 hours, **log in** to the e-Services website.
13. Select the application for your company.
14. View the **T/P Indicator** and **Status** columns of your TCC Information.  
(Each TCC will have an indicator of Test “T” or Production “P” and status of Active, Inactive, or Dropped.)

The screenshot shows a table titled 'TCC Information'. The table has four columns: Role, T/P Indicator, TCC, and Status. There are two rows of data.

Role	T/P Indicator	TCC	Status
Transmitter	P		Active
Software Developer	T		Active

**Note:** If your T/P Indicator shows “T”, and your Status is **Active**, you may proceed to [Section 6, Part 2, Electronic Test Files](#) for instructions on submitting your Electronic Test files.

# Section 6 (Part 2): Filing Information Returns

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## Electronic Filing Forms 1094-C & 1095-C (cont.)

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The following information is a brief guide on how to upload your electronic test files to the IRS e-Services website.

Refer to the IRS [Test Package for Electronic Filers of ACA Information Returns](#), for more detailed information.

**Caution:** Due to possible refinements of the IRS website, the following images and instructions are subject to change at any time.

### Electronic Test Files

#### Transmitter Communication Testing

Transmitters and Issuers must pass a **one-time** communication test to be able to submit their electronic files. The communication test is considered passed when you receive a status of *Accepted* and have received your Acknowledgment file.

**Contact the Help Desk:** Transmitters and Issuers must then contact the Help Desk at 1-866-937-4130, and provide their Receipt ID to have their *Transmitter Form T/P Indicator* moved to Production (P). This will complete the communication test.

**Allow 48 Hours:** You must allow 48 hours before using your TCC to upload your electronic files through the Production link. This is 48 hours after you have **completed** your communication test.

**Note:** If a communication test was previously passed, there is no need to conduct an additional communication test.

#### What is a Receipt ID?

A Receipt ID is a code which is used to retrieve the Acknowledgment file applicable to the specific transmission. You will receive your Receipt ID after you have successfully uploaded your Test files.

You will use your Receipt ID to request the Acknowledgment for that transmission from the IRS, and provide it as a reference number when forwarding questions to the Help Desk or AIR Mailbox.

The Receipt ID does not provide proof that the transmission was either accepted or rejected. The Receipt ID *does* provide proof that the IRS received the file. The Transmitter must retrieve their Acknowledgment to obtain proof of acceptance or rejection.

#### When to test?

AATS testing typically begins in early November for first-time Transmitters.

## Create Electronic Test Files

If your TCC is in Test status, you must first submit a set of Electronic Test files using the testing link on the IRS e-Services website.

1. Go to **ACA > Annual Reports > Generate Electronic Files**.
2. Enter your information into the entries within the red square shown in the following image, and click **Create Test File**.

(The Trans #, Substitute Employer Address for Invalid/Missing Employee Address checkbox and Employer Name Control entry can be left blank for the Test files.)

Generate Electronic ACA Files

Trans #:

Tax Year:

Transmission Type:  
☒ Original ☐ Replacement ☐ Correction (1095-C)

Original Receipt ID:

Folder:

Issuer/Transmitter TCC:

Business Name Line 1:

Business Name Line 2:

Federal Employer ID #:

Company Name:

Address Line 1:

Address Line 2:

City:

State:  Zip Code:

Contact First Name/Last Name:

Contact Phone #:

☐ Substitute Employer Address for Invalid/Missing Employee Address

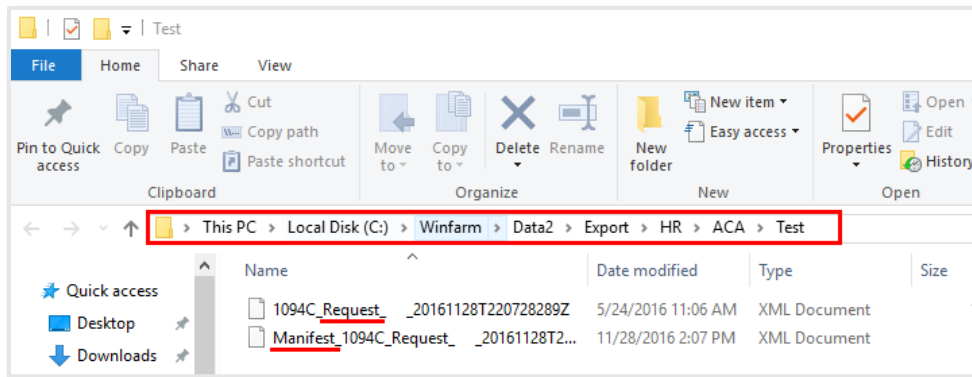
Employer Name Control:

☒ Validate File

**Create Test File**

A folder will open on your Desktop showing you the **two** generic files that have been created. One is called a Form (Request) File, and the other is called a Manifest File.

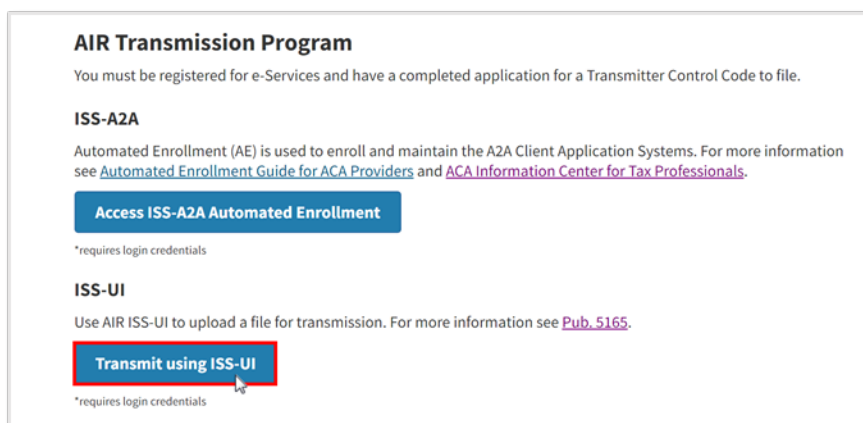
**Note:** Make a note of the **file location**, you will need to locate these files when uploading to the IRS website.



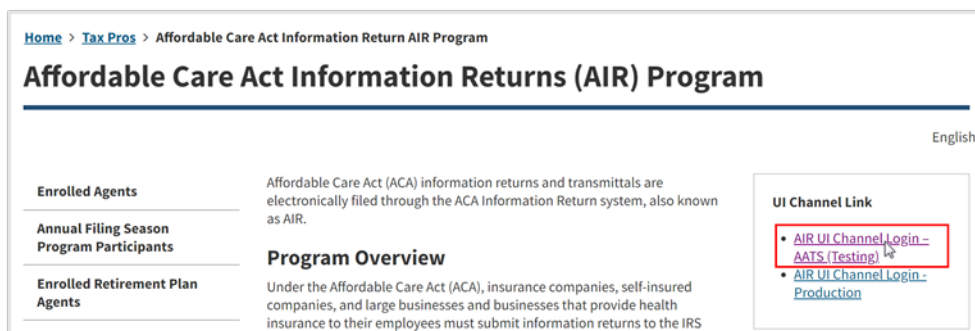
## Upload Electronic Test Files

Use this [AIR UI Channel Login - AATS \(Testing\)](#) link and proceed to [Step 6](#), or follow Steps 3-5 to find the link on the IRS website.

3. Go to [www.irs.gov](http://www.irs.gov) and click Tax Pros > Access E-Services > Affordable Care Act (ACA) Services.
4. Scroll down to the AIR Transmission Program section and click **Transmit using ISS-UI**.

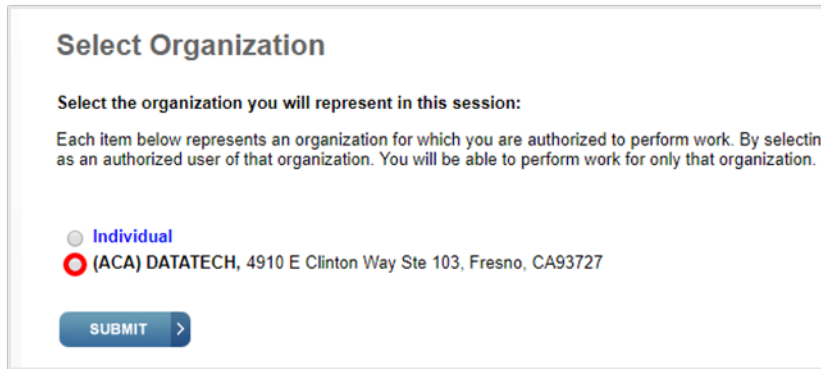


5. To the right of the window, find the UI Channel Link section and click AIR UI Channel Login – AATS (Testing).

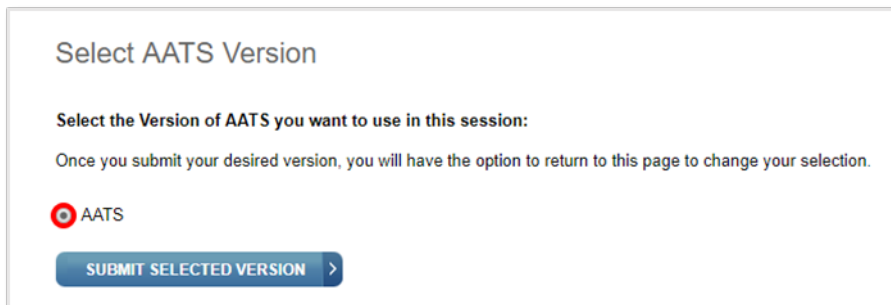


6. **Log in** to your e-Services User Account.

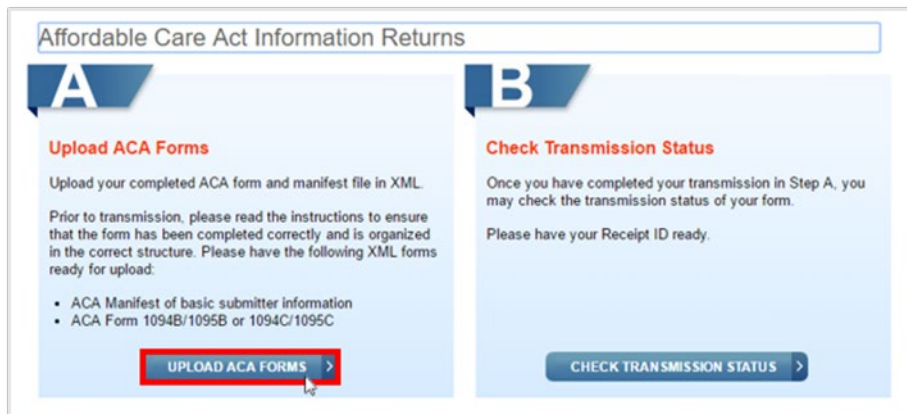
7. Select your organization and click **Submit**.



8. Select **AATS** and click **Submit Selected Version**.



9. Click **Upload ACA Forms** on Option A. You will now upload the Test files you created in Steps 1 & 2.



10. **Upload Manifest**

Click **Browse** and select the correct **Manifest File** from the network folder location where it was saved.

## ACA Transmission File Upload

### Upload Manifest

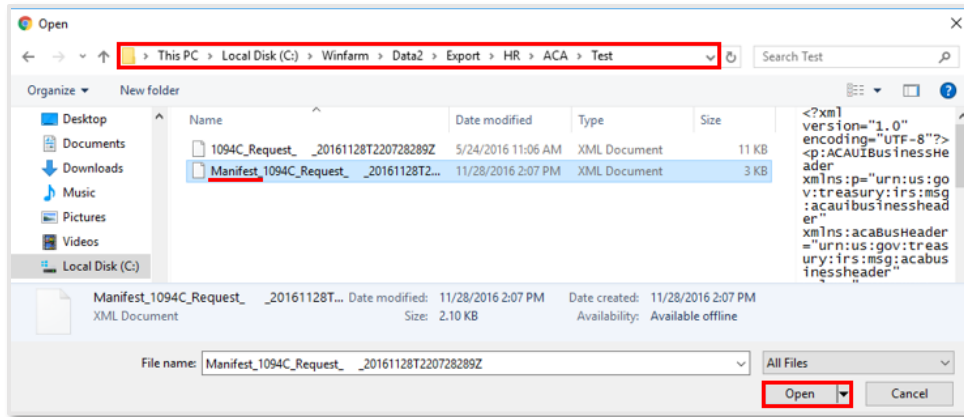
Browse for your Manifest file in XML format.

**Note:** Only one Manifest file may be selected to coincide with this transmission.

Manifest File

Manifest\_1094C\_Request\_ABCD1\_20160524

BROWSE



## 11. Upload Form

Click **Browse** and select the **Form (Request) File** from the network file location where it was saved.

### Upload Form

Browse for your Form file containing Form 1094B and all associated 1095Bs or Form 1094C and all associated 1095Cs in XML format. Once you have selected your files select "Transmit" to process the transmission.

**Note:** Only one Form file may be selected to coincide with this transmission. Your total transmission file size may not exceed 100MB and may only include XML file types.

Form File

1094C\_Request\_ABCD1\_20160524T1906503

BROWSE

## 12. Transmission

Click **Transmit** when you are ready to upload your files to the IRS.

### Transmission

Once you click "Transmit", you will NOT be able to cancel your transmission.

If your file is successfully received after clicking "Transmit", a confirmation page will appear that contains the Receipt ID for this transmission. It is recommended that you save your Receipt ID in a secure location. If there was a problem with your file, an error page will be shown. Please correct the problem and try your transmission again.

**Note:** Due to file size limitations, please allow sufficient time for larger Form files to be transmitted.

CANCEL

TRANSMIT


13. Print and save your unique **Receipt ID** which will appear when the files have finished transmitting. You will need your Receipt ID in order to complete your communication test.

### Transmission Confirmation

Your uploaded file has been transmitted. Please see details of this transmission below. It is **highly recommended** to print this page to keep for your records. Remember to check the status of this transmission by using the Receipt ID provided below to ensure your file is accepted.

**Receipt ID:** 1095C-16-00425059  
**Date and Time:** 06/06/2016 05:44:14 PM UTC

**Your Transmitted Form File**

File Name	File Size
 1094C_Request_ABCD1_20160524T190650321Z.xml	10.12 KB


**PRINT**

**Note:** Now that your files have been uploaded, you will need to have your Transmitter T/P Indicator changed from Test (T) to Production (P). To get your status changed to Production, you will have to request an Acknowledgment from the IRS for your Test files and then contact the Help Desk to change your status to Production (P).

## Request an Acknowledgment

To request your Acknowledgment file, follow these steps:

14. Click **Home** on the Transmission Confirmation page.

 [Print](#) | [Contact Us](#) | **[Home](#)** | [Logout](#)

### Transmission Confirmation

Your uploaded file has been transmitted. Please see details of this transmission below. It is **highly recommended** to print this page to keep for your records. Remember to check the status of this transmission by using the Receipt ID provided below to ensure your file is accepted.

**Receipt ID:** 1095C-16-00425059  
**Date and Time:** 06/06/2016 05:44:14 PM UTC

15. Click **Check Transmission Status** in Option B.



**Affordable Care Act Information Returns**

### A

#### Upload ACA Forms

Upload your completed ACA form and manifest file in XML.

Prior to transmission, please read the instructions to ensure that the form has been completed correctly and is organized in the correct structure. Please have the following XML forms ready for upload:

- ACA Manifest of basic submitter information
- ACA Form 1094B/1095B or 1094C/1095C

**UPLOAD ACA FORMS**

### B

#### Check Transmission Status

Once you have completed your transmission in Step A, you may check the transmission status of your form.

Please have your Receipt ID ready.

**CHECK TRANSMISSION STATUS**

16. On the Transmission Status Record page, select **TCC and Receipt ID**.

**Transmission Status Record**

All fields with \* are required.

Please select a search option from the drop-down list below. You may choose to search for your transmission status by using either your Transmitter Control Code (TCC) and Receipt ID or by using your Unique Transmission ID (UTID).

**Search Options:**

Please make a selection ▼

Please make a selection

**TCC and Receipt ID**

UTID

17. Enter your **TCC** and **Receipt ID**. Then click **Find**.

**Transmission Status Record**

All fields with \* are required.

You may enter a Receipt ID applicable for the current tax year in the search tool to find a specific transmission. You must enter the Receipt ID **exactly** how it is written in your transmission confirmation.

TCC \*

ABCD1

Receipt ID \*

1095C-16-00425059

**FIND** **CLEAR**

The communication test is considered **passed** when you receive a status of Accepted and have received your Acknowledgment file. However, this does not complete the communication test.

## Contact the Help Desk

18. Transmitters and Issuers must then contact the IRS Help Desk at 1-866-937-4130 and provide their **Receipt ID** to have their Transmitter Form T/P Indicator moved to Production (P). This will **complete** the communication test.

After contacting the Help Desk and having your Transmitter Form T/P Indicator moved to Production (P), you must **allow 48 hours** before uploading your files.

**Note:** When you are in **Production** status for more than 48 hours, your IRS e-Services account is ready to upload your actual electronic 1094-C and 1095-C files.

# Section 6 (Part 3): Filing Information Returns

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# Electronic Filing Forms 1094-C & 1095-C (cont.)

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## Before You Start

### Before Generating Files

You must complete and print a copy of the 1094-C form. Ensure the printed copy is filled out correctly before you generate the electronic files. Refer to [Section 5, Creating Your 1094-C](#), for more information.

### Before Uploading Files

If you have not completed the following steps, refer to [Section 6, Parts 1 & 2](#), for instructions.

1. A minimum of two Responsible Officials must sign up for an e-Services account with the IRS.
2. An application for a TCC (Transmitter Control Code) must be completed and signed by all Responsible Officials before it can be submitted.
3. After receiving your TCC, an electronic Test file must be submitted to confirm that you can upload and receive the IRS response. Once the test is completed, your TCC status will be changed to “Production” and after 48 hours you will be able to upload the actual files containing your 1094-C and 1095-C information.

## Generate Electronic Files

The Generate Electronic ACA Files window is designed to generate a Manifest File and a Form (Request) File. The Form (Request) File contains the Authoritative Transmittal 1094-C information, along with all 1095-C forms for the year. Both files are uploaded together to the IRS e-Services website.

If you are ready to file electronically, follow these steps:

1. Go to **ACA > Annual Reports > Generate Electronic Files**.

**Note:** The program may have saved your previously entered information on the Generate Electronic ACA Files window. Ensure all entries are correct before generating.

## 2. Trans #

Select the 1094-C Transaction number that contains the Authoritative Transmittal information for the tax year you are reporting.

**Caution:** There could be multiple transactions created for each tax year. Ensure you have selected the correct Transaction number for your Authoritative Transmittal.

## 3. Transmission Type

If you have not uploaded a file for the current tax year, leave **Original** selected.

(If you need to submit Replacement files, refer to [Section 6, Part 3, Submit Replacement Files](#). If you need to submit Correction files, refer to [Section 7](#).)

## 4. Issuer/Transmitter TCC

Type your Transmitter Control Code in this entry.

(This is a five-character alpha-numeric code assigned by the IRS. If you do not have a TCC, see [Section 6, Part 2, Apply for a TCC](#) for instructions.)

## 5. Issuer/Transmitter Information

Fill in the rest of the entries dealing with your company information.

**Note:** You will enter **your** company information in this window, even if you are transmitting on behalf of another company.

6. **Substitute Employer Address for Invalid/Missing Employee Address**

Select this checkbox if you want to use the company's address for employees with invalid or missing addresses.

(This will use the address entered on Tools > Program Setup > Main > Company Information. If a comma is not placed after the City in the City/State/Zip entry, under the Company Information tab, your files could be rejected.)

Once you click Generate, the program will generate an **Exception Report**, listing which employees do not have valid addresses.

**If you do not select this checkbox**, you will need to enter valid addresses for the employees listed on the Exception Report. This must be done before uploading the files to the IRS.

1. Answer **No** to the dialog box asking, "Is this the final file that will be uploaded?"
2. Correct all employee files that are listed with invalid addresses on the **Exception Report**.
3. Generate your files again.

**Caution:** The Address, City, State, and Zip Code are all required in the electronic files. If these fields are left blank on any employee, your files may be rejected.

7. **Employer Name Control**

Click in this entry to have the Name Control automatically populated.

The program will automatically generate the employer name control based on the IRS rules, but it may not be able to determine the correct name control code in all cases, including sole proprietorships. You can override the name control if necessary.

**Important:** If you are transmitting on behalf of another company, ensure you have entered the Name Control for *their* company and not your own.

8. **Validate File**

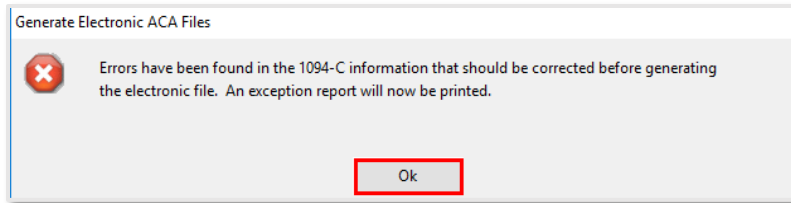
The purpose of the Validate File checkbox is to detect errors before your final files are generated. This allows you to correct errors before uploading your files to the IRS. (For more information, see Step 9, A & B.)

**Note:** If this option is unavailable, contact Datatech Support to have it activated.

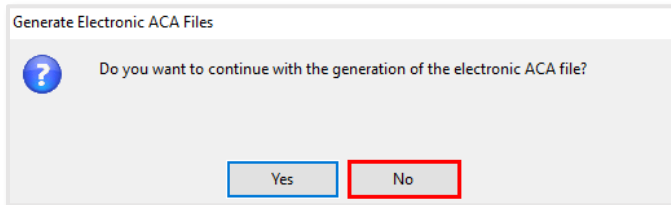
9. **Generate**

Click **Generate**.

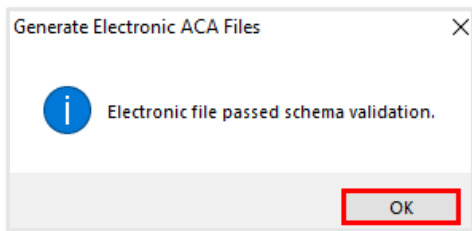
- A. If you have selected the **Validate File** checkbox and errors are found, the following dialog box will appear. Click **Ok** and review the Exception Report.



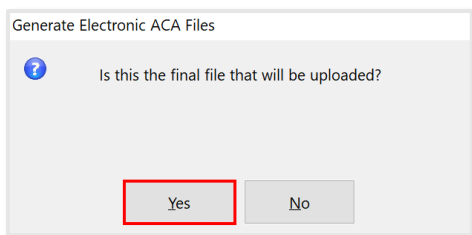
- B. A second dialog box will appear asking, 'Do you want to continue with the generation of the electronic ACA file?' Click **No** and correct the errors found on the Exception Report.



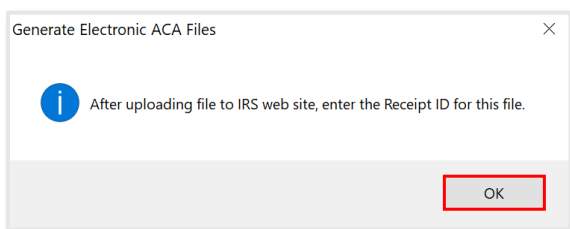
- C. Once the errors have been corrected, click **Generate** to generate the files again. If no errors are found, the following dialog box will appear. Click **Ok**.



- D. The next dialog box, shown in the following image, will ask, "Is this the final file that will be uploaded?" Click **Yes**.



- E. The last dialog box says, "After uploading file to IRS web site, enter the Receipt ID for this file." Click **Ok**.



10. The ACA Electronic File Details window will then appear. This is where you will enter your **Receipt ID** after uploading your files to the IRS. Leave this window open while you upload your files to the IRS website.

This window will contain details about the files you have just generated. Do **not** modify this information.

**Note:** Make a note of the network file location shown in the **Filename** entry. You will need to locate these files when you are uploading to the IRS website.

ACA Electronic File Details

Tax Year: 2018

Filename: C:\\Winfarm\\DATA2\\Export\\HR\\ACA\\1094C\_Request\_ABCD1\_2018.xml

UTID: 7314F438-9AFD-449A-AFF6-0AFA411942BB:SYS12:ABCD1:T

Submission ID: 1

Receipt ID: [Yellow Highlight]

MD5 Checksum: 7DCCD664BB4AD3A078C659814677CA9

Error Filename:

Type of File: Original

Save Clear Delete

## Upload Your Electronic Files

Follow these instructions to upload your electronic files to the IRS website and obtain your Receipt ID:

1. Use this [AIR UI Channel Login – Production](#) link.

**Note:** This Log In window is different than the AATS Testing window.

If you cannot use the link, follow these steps:

Go to [www.irs.gov](http://www.irs.gov) and click Tax Pros > Access E-Services > Affordable Care Act (ACA) Services > Transmit using ISS-UI > AIR UI Channel Login – Production.

2. **Log in** to your e-Services user account.

Log In

Already have a username? Welcome back!

Username

[Text Input Field]

LOG IN >

[Forgot Username](#)



3. On the Home Screen, select **Upload ACA Forms** on Option A.

Affordable Care Act Information Returns

**A**

**Upload ACA Forms**

Upload your completed ACA form and manifest file in XML.

Prior to transmission, please read the instructions to ensure that the form has been completed correctly and is organized in the correct structure. Please have the following XML forms ready for upload:

- ACA Manifest of basic submitter information
- ACA Form 1094B/1095B or 1094C/1095C

**UPLOAD ACA FORMS >**

**B**

**Check Transmission Status**

Once you have completed your transmission in Step A, you may check the transmission status of your form.

Please have your Receipt ID ready.

**CHECK TRANSMISSION STATUS >**

4. On the ACA Transmission File Upload page, upload the electronic files you generated at the beginning of this section.

**A. Upload Manifest**

Click **Browse** and select the correct **Manifest File** from the network folder location where it was saved.

ACA Transmission File Upload

**Upload Manifest**

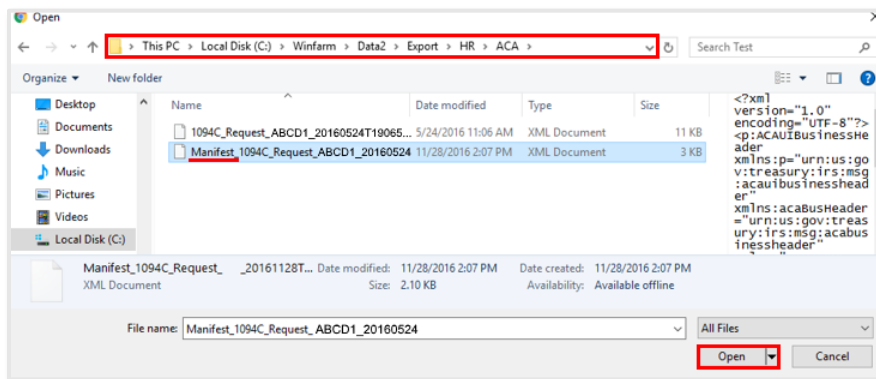
Browse for your Manifest file in XML format.

**Note:** Only one Manifest file may be selected to coincide with this transmission.

Manifest File

Manifest\_1094C\_Request\_ABCD1\_20160524

**BROWSE**



**B. Upload Form**

Click **Browse** and select the **Form (Request) File** from the network file location where it was saved.

### Upload Form

Browse for your Form file containing Form 1094B and all associated 1095Bs or Form 1094C and all associated 1095Cs in XML format. Once you have selected your files select "Transmit" to process the transmission.

**Note:** Only one Form file may be selected to coincide with this transmission. Your total transmission file size may not exceed 100MB and may only include XML file types.

Form File	
1094C_Request_ABCD1_20160524T1906503	<b>BROWSE</b>

### C. Transmission

Click **Transmit** when you are ready to upload your files to the IRS.

### Transmission

Once you click "Transmit", you will NOT be able to cancel your transmission.

If your file is successfully received after clicking "Transmit", a confirmation page will appear that contains the Receipt ID for this transmission. It is recommended that you save your Receipt ID in a secure location. If there was a problem with your file, an error page will be shown. Please correct the problem and try your transmission again.

**Note:** Due to file size limitations, please allow sufficient time for larger Form files to be transmitted.

<b>CANCEL</b>	<b>TRANSMIT &gt;</b>
---------------	----------------------

- On the Transmission Confirmation page, make a note of your **Receipt ID**. Click **Print** and keep a copy of it for your records.

**Tip:** Copy and paste your Receipt ID from this page into your ACA Electronic File Details window.


### Transmission Confirmation

Your uploaded file has been transmitted. Please see details of this transmission below. It is **highly recommended** to print this page to keep for your records. Remember to check the status of this transmission by using the Receipt ID provided below to ensure your file is accepted.

**Receipt ID:** 1095C-16-00425059

**Date and Time:** 06/06/2016 05:44:14 PM UTC

#### Your Transmitted Form File

File Name	File Size
 1094C_Request_ABCD1_20160524T190650321Z.xml	10.12 KB

<b>PRINT</b>
--------------

- Enter the **Receipt ID** into the ACA Electronic File Details window in your HRM program and click **Save**. (See the following image.) This will now associate your electronic file with the IRS Receipt ID.

**Tip:** Leave this window open, you will use it again under *Check Your Transmission Status & Download Your Acknowledgment File, Step 4*.

ACA Electronic File Details

Tax Year: 2018

Filename: C:\\Winfarm\\DATA2\\Export\\HR\\ACA\\1094C\_Request\_ABCD1\_2018.xml

UTID: 7314F438-9AFD-449A-AFF6-0AFA411942BB:SYS12:ABCD1::T

Submission ID: 1

Receipt ID: [Redacted]

MD5 Checksum: 7DCCD664BB4AD3A078C6569814677CA9

Error Filename:

Type of File: Original

Save Clear Delete

## Check Your Transmission Status & Download Your Acknowledgment File

You will receive a Transmission Status from the IRS of either Rejected, Accepted with Errors, or Accepted. The Acknowledgment file will provide proof of acceptance or rejection as well as provide you with any errors found in your files. To review your Acknowledgment file, follow the instructions under [Section 6, Part 3, Create an Acknowledgment Report](#).

- **Rejected**

If you receive a Rejected status, review your Acknowledgment file and fix any errors that are reported.

Then you will need to generate and upload the replacement file. (For more information, see [Section 6, Part 3, Submit Replacement Files](#).)

- **Accepted with Errors**

If you receive an Accepted with Errors status, save your Acknowledgment file as proof of acceptance. Then review your Acknowledgment file and fix any errors that you are aware of.

You will need to send Solicitation Notices to your employees. If corrections are able to be made, you will need to generate and upload a Correction file. (For more information, see [Section 7](#).)

- **Accepted**

If you receive an Accepted status, save your Acknowledgment file as proof of acceptance. No further action is required.

1. Click **Home** on the Transmission Confirmation page.

[Print](#) | [Contact Us](#) | [Home](#) | [Logout](#)

## Transmission Confirmation

Your uploaded file has been transmitted. Please see details of this transmission below. It is **highly recommended** to print this page to keep for your records. Remember to check the status of this transmission by using the Receipt ID provided below to ensure your file is accepted.

**Receipt ID:** 1095C-16-00425059  
**Date and Time:** 06/06/2016 05:44:14 PM UTC

- On the Home Screen, click **Check Transmission Status** on Option B.

### Affordable Care Act Information Returns

#### A Upload ACA Forms

Upload your completed ACA form and manifest file in XML.

Prior to transmission, please read the instructions to ensure that the form has been completed correctly and is organized in the correct structure. Please have the following XML forms ready for upload:

- ACA Manifest of basic submitter information
- ACA Form 1094B/1095B or 1094C/1095C

[UPLOAD ACA FORMS >](#)

#### B Check Transmission Status

Once you have completed your transmission in Step A, you may check the transmission status of your form.

Please have your Receipt ID ready.

[CHECK TRANSMISSION STATUS >](#)

- On the Transmission Status Record page, select **TCC and Receipt ID**.

## Transmission Status Record

All fields with \* are required.

Please select a search option from the drop-down list below. You may choose to search for your transmission status by using either your Transmitter Control Code (TCC) and Receipt ID or by using your Unique Transmission ID (UTID).

**Search Options:**

Please make a selection ▼

Please make a selection

**TCC and Receipt ID**

UTID

- Enter your **TCC** and **Receipt ID**. Then click **Find**.

## Transmission Status Record

All fields with \* are required.

You may enter a Receipt ID applicable for the current tax year in the search tool to find a specific transmission. You must enter the Receipt ID **exactly** how it is written in your transmission confirmation.

**TCC \***

**Receipt ID \***

- On the Transmission Status Details page, you will receive your Transmission Status.

Click **Download** to retrieve the IRS Acknowledgment file, no matter what status you have received. (If it is processing, wait until it has completed and then download your file.) **Save** this file in the same network folder location where your electronic files are saved.

**Note:** The Acknowledgment file will provide proof of acceptance or rejection as well as provide you with any errors found in your files.

**Transmission Status Details**

Please see details for this transmission below. Click Download to be prompted to save an XML response message to your computer.

Receipt ID: 1095C-16-00425059  
Date and Time: 11/29/2016 11:57:57 PM UTC  
Status: Rejected

**Errors**

The following errors are issues reported by the system for your transmission. If your transmission is "Accepted" no further action is needed. If your transmission is "Rejected" please correct the errors and try your transmission again.

For further assistance, please [contact us](#).

Error Code	Error Details
AIRBR400	Tax Year is incorrect
AIRBR400	Tax Year is incorrect
AIRBR854	Full-Time Employee Count for ALE Member value is missing (All 12 Months and monthly) when authoritative transmittal indicator is checked and 98% Offer Method is not checked
AIREX113	Rejected submission - Tax Year is incorrect

[BACK](#) [PRINT](#) [DOWNLOAD](#)

- Return to the **ACA Electronic File Details** window in your HRM program. (ACA > Annual Reports > Electronic File Details.)

**ACA Electronic File Details**

Tax Year: 2018

Filename: C:\Winfarm\DATA2\Export\HR\ACA\1094C\_Request\_ABCD1\_20181008T225636458Z.xml

UTID: 7314F438-9AFD-449A-AFF6-0AFA411942BB:SYS12:ABCD1::T

Submission ID: 1

Receipt ID: 1095C-16-00425059

MD5 Checksum: 7DCCD884BB4AD3A078C6569814699CA9

Error Filename: C:\Winfarm\Data2\Export\HR\Ack\_1095C-16-00425059\_11-29-2018\_07-16-58PM\_UTC.xml

Type of File: Original

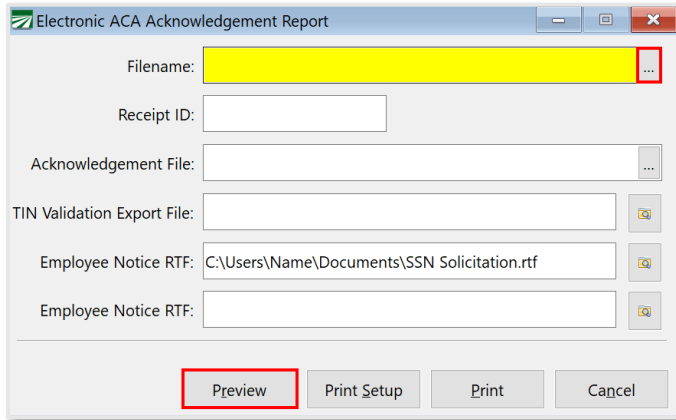
[Save](#) [Clear](#) [Delete](#)

- In the **Filename** entry, choose the **Form (Request) File** you previously associated with your Receipt ID.
- In the **Error Filename** entry, select the IRS Acknowledgment file from the network folder location. Click **Save**.

## Create an Acknowledgment File Report

If your electronic ACA file receives a status of Accepted with Errors or Rejected, the IRS will provide an Acknowledgment file containing the errors that need to be corrected.

1. Go to **ACA > Annual Reports > Electronic File Acknowledgment Report**.



2. In the **Filename** entry, select the electronic **Form (Request) File** you previously associated with your Receipt ID.
3. Click **Preview** to view the Acknowledgment Report from the IRS showing which errors need to be corrected.

**Note:** If you need assistance understanding the errors mentioned in the Acknowledgment Report, contact Datatech Support.

## Submit Replacement Files

A replacement file may be submitted when your original transmission is rejected. When the IRS rejects a transmission, none of the information is accepted into their system. A complete replacement for the original transmission must be submitted.

**Note:** If you have time to upload a second set of *original* files, prior to the deadline, you would not have to submit a set of replacement files.

When a transmission is rejected, you have 60 days to submit your replacement file. When you reference the original Receipt ID from the transmission that was rejected, the replacement file will be treated as having been filed on the same day as the original file.

**Example:** The deadline for filing is March 31. You upload a file on March 1, that is rejected. You now have 60 days from March 1, to submit a replacement file. If you submit the replacement after the actual deadline, but you are still within your 60-day period, it will be treated as having been submitted on time with the original filing date of March 1.

Optionally, if you are ready to submit your second set of files, prior to March 31, you can submit a set of original files instead of replacement files.

### What if your replacement file gets rejected?

If your replacement file gets rejected, you will need to upload another replacement file. You should always reference the **original** Receipt ID you were given, from the **first** transmission that was rejected.

After you have made the corrections specified in the Acknowledgment file, follow these steps to generate and upload replacement files.

1. Go to **ACA > Annual Reports > Generate Electronic Files**.

The screenshot shows the 'Generate Electronic ACA Files' window. At the top, 'Trans #' is highlighted with a red box. Below it, 'Tax Year: 2018' is set. The 'Transmission Type' section has three radio buttons: 'Original', 'Replacement' (which is selected), and 'Correction (1095-C)'. Below this, the 'Original Receipt ID' field is highlighted with a red box. The 'Folder' field shows 'C:\Winfarm\DATA2\Export\HR\ACA'. There are several other input fields for 'Issuer/Transmitter TCC', 'Business Name Line 1', 'Business Name Line 2', 'Federal Employer ID #', 'Company Name', 'Address Line 1', 'Address Line 2', 'City', 'State', 'Zip Code', 'Contact First Name/Last Name', 'Contact Phone #', and 'Employer Name Control'. A checkbox for 'Substitute Employer Address for Invalid/Missing Employee Address' is checked. At the bottom, the 'Generate' button is highlighted with a red box, along with 'Create Test File', 'Preview', 'Print Setup', and 'Cancel' buttons.

2. **Trans #**

Select the 1094-C Transaction number that contains the Authoritative Transmittal information for the tax year you are reporting.

3. **Transmission Type**

Select **Replacement**.

4. **Original Receipt ID**

Enter the Receipt ID for the *original* transmission that was rejected. The replacement file will be treated as having been filed on the same day as the original file. This can be useful if you are transmitting after the due date but uploaded your original file before the due date.

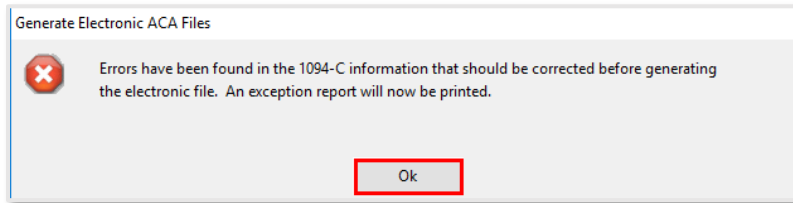
5. **Validate File**

Ensure all other entries are correct and select the **Validate File** checkbox.

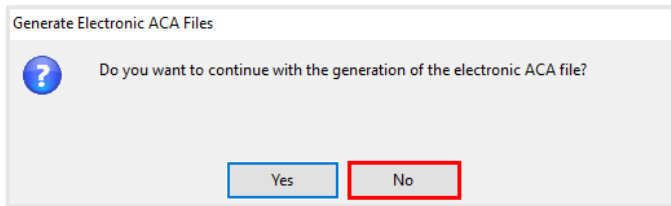
6. **Generate**

Click **Generate**.

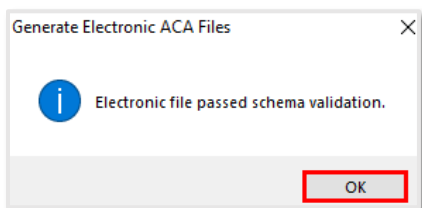
- A. If you have selected the **Validate File** checkbox and errors are found, the following dialog box will appear. Click **Ok** and review the **Exception Report**.



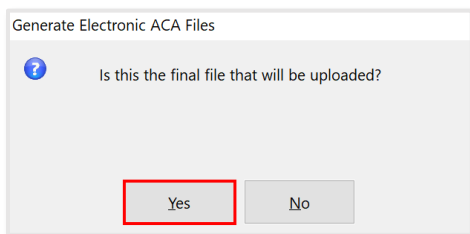
- B. A second dialog box will appear asking, 'Do you want to continue with the generation of the electronic ACA file?' Click **No** and correct the errors found on the Exception Report.



- C. Once the errors have been corrected, click **Generate** to generate the files again. If no errors are found, the following dialog box will appear. Click **Ok**.

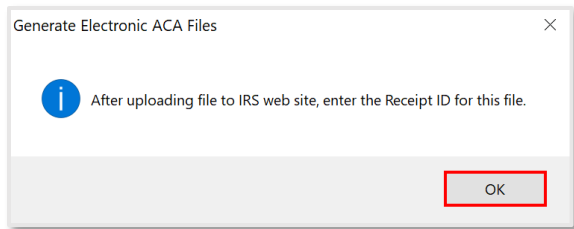


- D. The next dialog box, shown in the following image, will ask, 'Is this the final file that will be uploaded?' Click **Yes**.



- E. The last dialog box, shown in the following image, says, 'After uploading file to IRS web site, enter the Receipt ID for this file.' Click **Ok**.





7. The ACA Electronic File Details window will then appear. This is where you will enter your **replacement Receipt ID**, after uploading your files to the IRS. Leave this window open while you upload your files to the IRS website.

This window will have the details about the files you have just generated. Do **not** modify this information.

**Note:** Make a note of where the file is located by the address shown in the **Filename** entry. You will need to locate these files when you are uploading to the IRS.

A window titled "ACA Electronic File Details" with standard Windows window controls. It contains several fields: "Tax Year" (2018), "Filename" (C:\\Winfarm\\DATA2\\Export\\HR\\ACA\\1094C\_Request\_ABCD1\_2018.xml), "UTID" (7314F438-9AFD-449A-AFF6-0AFA411942BB:SYS12:ABCD1::T), "Submission ID" (1), "Receipt ID" (highlighted with a yellow box), "MD5 Checksum" (7DCCD664BB4AD3A078C6569814677CA9), "Error Filename" (empty), and "Type of File" (Replacement). At the bottom right, there are three buttons: "Save" (highlighted with a red rectangle), "Clear", and "Delete".

8. Upload the Replacement files to the IRS. Refer back to [Upload Your Electronic Files](#), for instructions on how to upload your electronic files to the IRS website and receive your replacement Receipt ID.
9. Once uploaded, you will need to check your Transmission status. Follow the steps under [Check Your Transmission Status & Download your Acknowledgment File](#).
10. If you still receive a Rejected status, repeat the process until you receive an Accepted or Accepted with Errors status.

**Note:** Always use your original Receipt ID when uploading Replacement files.

**Important:** Breathe a heavy sign of relief, you have finished the uploading process with the IRS!

# Section 7 (Part 1): Correct Information Returns

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# Create Solicitation Notices

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## Accepted with Errors Status

Most electronic transmissions receive a status of Accepted with Errors. This usually means that the information reported for some employees does not match IRS records for that taxpayer.

Downloading the IRS Acknowledgment file and associating it with the electronic files you uploaded, will provide you with the names and TIN numbers of those employees who received *TIN Validation Errors*. However, it will not inform you what information was incorrect.

### What is a TIN Validation Error?

The most common error is a *TIN (Tax Identification Number) Validation Failed* error code. The TIN validation error indicates that the Social Security Number and name provided in the electronic 1095-C record did not match what is stored in the Social Security Administration's database.

If you never obtained a valid Social Security Number for an employee and assigned a temporary SSN, you will get a TIN Validation Error for that employee.

It is recommended to enter the name exactly as it appears on the Social Security Card. Typos may trigger a TIN Validation Error, such as entering *Rodrigues* instead of *Rodriguez*.

**For more information:** [IRS Publication 1586](#) explains steps to fix TIN Validation Errors and the penalties you may be subject to if you do not correct them.

After you review your employee records to determine if there are any obvious errors that can be easily corrected, you will need to request corrected information from your employees. The HRM software does this by creating Solicitation Notices.

### What are Solicitation Notices?

A Solicitation Notice tells your employee what information was reported, and provides a space for them to give you corrected information. Documenting your 'good faith' effort to obtain corrected information from these employees may help you avoid IRS penalties.

- For **2017** Information Returns, you are required to mail your employees Solicitation Notices for corrected information no later than **December 31, 2018**.
- For **2018** Information Returns, you are required to mail your employees Solicitation Notices for corrected information no later than **December 31, 2019**.

# Prepare Solicitation Notices

To prepare your Solicitation Notices, follow these steps:

1. Go to **ACA > Annual Reports > Electronic File Acknowledgment Report**.

2. In the **Filename** entry, select the electronic **Form (Request) File** that was transmitted to the IRS. (In connection with the file you choose in the Filename entry, the associated Receipt ID and Acknowledgment file will automatically be entered on this window. If the Receipt ID does not match, you may have selected the wrong file or entered the wrong Receipt ID.)
3. **Export to Excel (Optional)**
  - A. To export the TIN Validation details to Excel, use the **File Explorer** button to the right of the TIN Validation Export File entry to open the **Select Excel File Name** window.
  - B. Select the location you would like the file saved, type in the **filename**, and click **Save**.
  - C. Click **Preview** on the Electronic ACA Acknowledgment Report window to create the Excel File.
4. To create your Solicitation Notices, you will need an RTF template. Sample RTF templates can be downloaded using this [LINK](#). (They are also available in the Templates subfolder of your Datatech network installation folder. If you are able to locate these templates, proceed to Step 5.)
  - A. If using the link, right-click on a template and select **Save link as...** (or **Save target as...**) to download the file in a readable format.

**Important:** Templates ending with 2 are designed for window envelopes. To print both in English and Spanish, use the second Employee Notice RTF entry for the additional language template.

- B. **Save** the file and make a note of the folder where it has been saved.
5. In your HRM program, use the **File Explorer** button on the **Employee Notice RTF** entry to select the downloaded template filename.
  6. Click **Preview**. The Solicitation Notices will now be created and previewed on your screen.

**Tip:** If you need to print mailing labels for these employees, go to Reports > Employee Lists > Mailing Labels. Use the Multiple option to select your employees.

# Section 7 (Part 2): Correct Information Returns

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# Correct & Reissue 1095-C Forms (Employee)

## Correct Employee Files (Employee Copies)

When an employee returns their Solicitation Notice containing corrected information, follow these steps:

**Note:** Only one correction per employee will be accepted by the IRS for each Tax Year.

1. Go to **ACA > Annual Reports > Edit 1095-C Information**.

Enter/Edit Form 1095-C

Transaction #: 3744 Tax Year: 2018 ☒ Full Time ☐ Corrected (Employee) ☐ Corrected (IRS) Reviewed

Form 1095-C Monthly Hour Totals Employment/Coverage

Part I - Employee

Account #: 2 Name Key: JGUTIER Last Name: GUTIERRES First Name: JOHN

Mail Address: MAILING ADDRESS Record ID: 1

City/State/Zip: CITY ST ZIP

Part II - Employee Office and Coverage

Plan Start Month: 01

01 02 03 04 05 06 07 08 09 10 11 12

01 02 03 04 05 06 07 08 09 10 11 12

Print 1095-C's Check Report... Employee... Recompile... Save Clear Delete

2. Select the **Transaction #** you would like to edit. Ensure you have selected the transaction for the right employee and tax year.
3. Click **Employee**. The HR Employee View window will appear with the employee's file open, as shown in the following image:

HR Employee View

Account #: 2 Name Key: JGUTIER Social Security #: 000 00 0025 2 ☒ Active PIN: 0

Credit Cards Equipment ACA

Employee Info Deductions Totals Notes Direct Deposit Dependents Health Benefits Medical Emerg Contacts Training Complaints Litigation Warnings Injuries

Personal Information:

Last Name: GUTIERREZ

First & Middle Names: JOHN

Mailing Address: MAILING ADDRESS ☐ Bad

City/State/Zip: CITY ST ZIP

Street Address: STREET ADDRESS

U.S. A Not Matched

Employment Information:

Crew #: 0

Department: TRUCK DRIVER

Position: TRUCK DRIVER

Employment Type: Month 01/01/01

Plan Type: Health

WFC Class Code: 0000

Terminate Rehire Print Profile Save Delete Clear

4. Enter the corrected information in the employee's file. Click **Save**.
5. Return to the **Enter/Edit Form 1095-C** window. The transaction for the employee's file you just edited should still be open. Select the **Corrected (Employee)** checkbox and click **Save**.

**Note:** The Corrected (Employee) checkbox and the Corrected (IRS) checkbox, should never be selected at the same time.

When this checkbox is selected, the word 'CORRECTED', will print at the top of the form. See the following image:

6. Continue to open transactions and edit employee files until all corrections have been made. Once you have made your final correction, leave the Enter/Edit Form 1095-C window open and continue to step 7.

## Print Corrected 1095-C Forms (Employee Copies)

7. Click **Print 1095-C's**. In the Print 1095-C Forms window, enter the tax year for the information you corrected.

The screenshot shows the 'Print 1095-C Forms' dialog box. At the top, 'Tax Year to Print' is set to 2018. The 'Select Form' section has four radio buttons: 'Portrait Mailer', 'Landscape IRS Form', 'Landscape Blank Paper' (selected), and 'Portrait Blank Paper'. There is a checkbox for 'Print Employee Instructions' which is checked. The 'Print Order' section has four radio buttons: 'Alphabetical' (selected), 'Account #', 'Social Security #', and 'Zip Code'. The 'Employees to Print' section has eight radio buttons: 'All', 'Unprinted Only', 'Single' (selected), 'Full Time December Only', 'Resume Printing', 'Corrected (Employee Copy)' (highlighted with a red circle), 'Multiple' (highlighted with a red circle), 'Part Time Only', 'Reviewed/Unprinted Only', and 'Unreviewed Only'. There is a 'Select' button next to 'Multiple'. The 'Employee to Print' section shows 'Account #' as 2 and 'Name Key' as EMPLOYEEFIRST. The 'Name' field shows EMPLOYEELAST, EMPLOYEEFIRST. There are two checkboxes: 'Skip Employees With Bad/No Address (Employee Copy Only)' and 'Truncate Social Security Numbers (Employee Copy Only)'. The 'Export Addresses' field is empty. The 'Vertical Offset' section has three input fields: 'Vertical Offset' (0.0000), 'Company Vert.' (0.7000), and 'Employee Vert.' (2.6400). The 'Horizontal Offset' section has three input fields: 'Horizontal Offset' (0.0000), 'Company Horz.' (0.0900), and 'Employee Horz.' (0.0900). At the bottom, there are four buttons: 'Preview' (highlighted with a red box), 'Print Setup', 'Print', and 'Cancel'.

8. Select the style of form you wish to print.
9. Select one of the following options from the Employees to Print section.
  - **Single**  
Print a single corrected 1095-C form for a specific employee. Enter the *Account #* of the employee you wish to print.
  - **Multiple**  
Print multiple corrected 1095-C forms by clicking **Select** and selecting the forms you wish to print.
  - **Corrected (Employee Copy)**  
Print all the employee 1095-C forms that you have saved as corrected. (See Step 5.)
10. Click **Preview**. Ensure that the word 'CORRECTED', appears along the top of each form.



11. Click **Print**. Mail corrected forms to employees as soon as possible.

**Tip:** If you need to print mailing labels for these corrected employees, go to Reports > Employee Lists > Mailing Labels. Under Employees to Print, select **Corrected 1095-C's**. Enter the tax year and click **Print**. See the following image:

Employee Mailing Labels

Label Type: 4 - Dymo Label, 1"x3"

Starting Label #: 1

☐ Print Account # ☐ Print Social Security #

Employees to Print...

☐ All Employees ☐ 1095-C Full Time

☐ One Employee ☒ Corrected 1095-C's

☐ Multiple Employees Tax Year: 2018

Select...

Name Key:

Crew #:

Department:

Select by Check Issued After: / /

Select by Date Hired: / /

Starting Check #: 0

Ending Check #: 0

Employee Status:

☒ Active ☐ Inactive ☐ All

Print Order:

☒ Alphabetic ☐ Account # ☐ Social Security #

Preview Print Setup **Print** Cancel

# Section 7 (Part 3): Correct Information Returns

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# Electronically Report Corrections

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A correction file can be created when a transmission is *Accepted* or *Accepted with Errors*. To correct the information you submitted, follow the steps in [Section 7, Part 2](#).

When a correction file is generated, the program will compare the information you reported in the original transmission with the information that is currently on the employee file and in the 1095-C database. A correction record will be triggered if any of the following occur:

1. Difference in name (first, middle, last, or suffix) or Social Security Number and a TIN Validation Error was reported on the employee information.
2. Difference in Part II information on lines 14, 15, or 16.
3. Difference on Part III information (for employees with a self-insured plan).

Other changes such as a change in address, company name, or contact phone number will not trigger a correction record.

**Important:** If you have not already done so, run the Electronic ACA Acknowledgment Report. Running this report will flag all 1095-C forms that have a TIN Validation Error. This must be done before the program will report any corrections from Part I of the forms. See [Section 6, Part 3, Create an Acknowledgment File Report](#).

## What if I receive corrections from employees after I have submitted a Correction file to the IRS?

After you upload a correction file, you may have several additional employees provide you with updated information. You will now need to generate additional correction files for those employees.

The IRS only allows one correction to be submitted for each original employee form. When additional correction files are generated, any employees who have already been corrected will not be included.

# Create Electronic Correction Files

After all possible corrections are made, follow these steps:

1. Create a new 1094-C. Go to **ACA > Annual Reports > Enter/Print 1094-C Form**.

The screenshot shows the 'Enter/Edit 1094-C Form' window. At the top, there's a 'Transaction #' field and a 'Tax Year' dropdown set to 2018. Below this are tabs for 'Parts I & II', 'Part III', and 'Part IV'. A 'Reviewed' button is on the right. Under 'Part I', there's a 'Corrected' checkbox. Fields include 'ALE Member (Employer): Datatech', 'Address: Address', 'City, State & Zip: City, State, Zip', 'Contact Name: John Smith', and 'Contact Phone: 559-123-4567'. A field for 'Total number of Forms 1095-C submitted with this transmittal' is set to 10. There's a checkbox for 'Check this box if this is the authoritative transmittal for this ALE Member:'. Under 'Part II', there's a field for 'Total number of Forms 1095-C filed by and/or on behalf of ALE Member:' and a checkbox for 'Check this box if the ALE Member is a member of an Aggregated ALE Group:'. A section for 'Certification of Eligibility (select all that apply):' includes checkboxes for 'A. Qualifying Offer Method', 'B. Qualifying Offer Method Transition Relief', 'C. Section 4980H Transition Relief', and 'D. 98% Offer Method'. At the bottom, there's a 'Title of Signer: John Smith' and a 'Date of Form: 03/14/2019'. Buttons for 'Print', 'Save', 'Clear', and 'Delete' are at the bottom right.

2. Enter the Tax Year being corrected, your contact information, and the total number of Forms 1095-C being submitted with this transmittal. Click **Save**.
  - DO NOT select the **Corrected** checkbox as it is only used to indicate that the 1094-C itself is being corrected. (For more about this, see [Section 7, Part 4, Correcting a 1094-C Form](#).)
  - DO NOT select the **Check this box if this is the authoritative transmittal for this ALE Member** checkbox. Your Accepted or Accepted with Errors transmission is your Authoritative Transmittal. Only one Authoritative Transmittal may be submitted to the IRS. A 1094-C that is created only for submitting corrected 1095-C's is not considered an Authoritative Transmittal.
  - It is not necessary to enter any information in Parts II, III, or IV.

**Tip:** Take note of the **new Transaction number** created.

## Create Your ACA Correction Report

This report will list the changes that will be reported. Ensure all information in your report is accurate before generating corrections files to upload to the IRS.

3. Go to **ACA > Annual Reports > Generate Electronic Files**.

The screenshot shows the 'Generate Electronic ACA Files' window. It includes the following fields and options:

- Trans #:** A dropdown menu with a red box around it.
- Tax Year:** A text box containing '2017'.
- Transmission Type:** Radio buttons for 'Original', 'Replacement', and 'Correction (1095-C)'. The 'Correction (1095-C)' option is selected with a red dot.
- Original Receipt ID:** A text box with a red box around it.
- Folder:** A text box containing 'C:\Winfarm\DATA2\Export\HR\ACA'.
- Issuer/Transmitter TCC:** A text box.
- Business Name Line 1:** A text box.
- Business Name Line 2:** A text box.
- Federal Employer ID #:** A text box.
- Company Name:** A text box.
- Address Line 1:** A text box.
- Address Line 2:** A text box.
- City:** A text box.
- State:** A dropdown menu.
- Zip Code:** A text box.
- Contact First Name/Last Name:** Two text boxes.
- Contact Phone #:** A text box.
- ☐ Substitute Employer Address for Invalid/Missing Employee Address
- Employer Name Control:** A text box.
- ☒ Validate File

At the bottom, there are five buttons: 'Create Test File', 'Preview' (highlighted with a red box), 'Print Setup', 'Generate', and 'Cancel'.

4. **Trans #**

Select the *correction* 1094-C transaction number. Once selected, the correct tax year should be populated.

5. **Transmission Type**

Select **Correction (1095-C)**.

6. **Original Receipt ID**

Enter the Receipt ID for the set of electronic files that were originally uploaded to the IRS. (This can be found using the Electronic File Acknowledgment Report.)

7. Click **Preview**. An **ACA Correction Report** will be created. In each section, the report will print a line showing the original information reported followed by a line showing the current information. (Corrected information will appear in bold font.) Review this report to ensure all

information being corrected is accurate. Remember, only one correction file per employee is accepted for each tax year.

- The **first** section of the report shows changes to the employee's name and Social Security Number from Part 1 of the 1095-C. See the following image:

Receipt ID: 1095C-16-00253504  
Filename: [REDACTED]

ACA Correction Report

Acct #	First Name	Middle Name	Last Name	S.S. #	
10000	JUAN	B	HERNANDEZ AGUIRRE	[REDACTED]	Original
10000	JUAN	H	AGUIRRE	[REDACTED]	Corrected
29255	LIZETTE	ALEJANDRA	ROSALES RUIZ	[REDACTED]	Original
29255	LIZETTE	ALEJANDRA	RUIZ	[REDACTED]	Corrected
32046	JOSE	RAYMUNDO	GARCIA	[REDACTED]	Original
32046	JOSE	REYMUNDO	GARCIA	[REDACTED]	Corrected
32418	MIRIAM	LUCILA	MONTES SOTO	[REDACTED]	Original
32418	MIRIAM	LUCILA	MONTES SOTO	[REDACTED]	Corrected

4 corrections to employee name/S.S. # information.

- The **second** section of the report shows changes to Lines 14, 15, and 16 in Part II. See the following image:

Receipt ID: 1095C-16-00253504  
Filename: [REDACTED]

ACA Correction Report

Acct #	All	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3242 16:		2C	2C	2B		2C	2C	2C	2C	2C	2C	2C	2C
		2C	2C	2B	2D	2C	2C	2C	2C	2C	2C	2C	2C
3248 16:		2A	2A	2A	2A	2D	2A	2A	2A	2D	2C	2C	2C
		2C	2A	2A	2A	2D	2A	2A	2A	2D	2C	2C	2C
3265 16:		2C	2C	2B	2B	2B	2B	2B	2B	2B		2C	2B
		2C	2C	2B	2B	2B	2B	2B	2B	2B	2D	2C	2B
3305 16:		2A	2A	2D	2D	2C	2C	2C	2C	2C	2C	2C	2C
		2C	2A	2D	2D	2C	2C	2C	2C	2C	2C	2C	2C
3368 16:		2C	2C	2B		2C	2C	2C	2C	2C	2C	2C	2C
		2C	2C	2B	2D	2C	2C	2C	2C	2C	2C	2C	2C

- If applicable, a **third** section will list changes to Part III for self-insured plans.

## Generate Correction Files

After ensuring all information in your report is accurate, follow these steps to generate your correction files:

8. Return to the Generate Electronic ACA Files window and click **Generate**.

The screenshot shows the 'Generate Electronic ACA Files' window. It includes the following fields and controls:

- Trans #:** A text field with a yellow highlight.
- Tax Year:** A text field containing '2017'.
- Transmission Type:** Radio buttons for 'Original', 'Replacement', and 'Correction (1095-C)' (which is selected).
- Original Receipt ID:** A text field.
- Folder:** A text field containing 'C:\Winfarm\DATA2\Export\HR\ACA'.
- Issuer/Transmitter TCC:** A text field.
- Business Name Line 1:** A text field.
- Business Name Line 2:** A text field.
- Federal Employer ID #:** A text field.
- Company Name:** A text field.
- Address Line 1:** A text field.
- Address Line 2:** A text field.
- City:** A text field.
- State:** A dropdown menu.
- Zip Code:** A text field.
- Contact First Name/Last Name:** Two text fields.
- Contact Phone #:** A text field.
- ☐ Substitute Employer Address for Invalid/Missing Employee Address
- Employer Name Control:** A text field.
- ☒ Validate File
- Buttons:** 'Create Test File', 'Preview', 'Print Setup', 'Generate' (highlighted with a red rectangle), and 'Cancel'.

9. A dialog box will appear asking, “Will this file be uploaded?” Unless this is a test, click **Yes** to flag all the corrected records.

**Important:** When you answer **Yes**, the program will flag all records that are being corrected in the 1095-C database. If you later receive more corrections and must generate another correction file, the program will not include any records that have already been flagged. This is important because the IRS only allows one correction to be submitted for each original employee form per tax year.

## Submitting Electronic Correction Files

After the new file has been generated, upload the manifest and form files to the IRS e-Services website. As with an original file, make a note of the Receipt ID the IRS gives you after uploading the correction file.

For more information on how to upload your files, follow the steps in [Section 6, Part 3, Upload Your Electronic Files](#).

**Important:** Ensure you select the filename of the newly generated correction files when uploading.

When finished uploading your correction files, follow the steps in [Section 6, Part 3, Check Your Transmission Status & Download your Acknowledgment File](#).

Finally, follow the steps in [Section 6, Part 3, Create an Acknowledgment File](#). The Acknowledgment file provides proof of acceptance or rejection as well as provides you with any errors found in your files. Any TIN Validation Errors displayed in this Acknowledgment file do not require further action on your part.



# Section 7 (Part 4): Correct Information Returns

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# Correct & Reissue 1095-C Forms (IRS)

If you send your ACA Information Returns on paper to the IRS, you may receive a penalty assessment letter. These letters are usually sent anywhere from nine months to two years after you file the return. The following information will help you correct 1095-C forms and print correction forms for the IRS.

## Correct 1095-C Forms (IRS Copies)

1. Go to ACA > Annual Reports > Edit 1095-C Information.

Enter/Edit Form 1095-C

Transaction #: 3744 Tax Year: 2018 ☒ Full Time ☐ Corrected (Employee) ☐ Corrected (IRS) Reviewed

Form 1095-C Monthly Hour Totals Employment/Coverage

Part I - Employee

Account #: 2 Name Key: JGUTIER Last Name: GUTIERRES First Name: JOHN

Mail Address: MAILING ADDRESS Record ID: 1

City/State/Zip: CITY ST ZIP

Part II - Employee Offer and Coverage

Plan Start Month: JAN

Month	January	February	March	April	May	June	July	August	September	October	November	December
Full Time	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Print 1095-C's Check Report... Employee... Recompile... Save Clear Delete

2. Select the **Transaction #** you would like to edit. Ensure you have selected the transaction for the correct employee and tax year.
3. Click **Employee**. The HR Employee View window will appear with the employee's file open, as shown in the following image.

HR Employee View

Account #: 2 Name Key: JGUTIER Social Security #: 000 00 0025 ☒ Active PIN: 0

Credit Cards Equipment ACA

Employee Info Deductions Totals Notes Direct Deposit Dependents Health Benefits Medical Emerg Contacts Training Complaints Litigation Warnings Injuries

Personal Information:

Last Name: GUTIERREZ

First & Middle Names: JOHN

Mailing Address: MAILING ADDRESS ☐ Bad

City/State/Zip: CITY ST ZIP

Street Address: STREET ADDRESS

Employment Information:

Crew #: 0

Department: TRUCK DRIVER

Position: TRUCK DRIVER

Employment Type: TRUCK DRIVER

Pay Type: Hourly

WOT Class Code: 1079.2

Terminate Rehire Print Profile Save Delete Clear

4. Enter the corrected information in the employee's file. Click **Save**.

- Return to the Enter/Edit Form 1095-C window. The transaction for the employee's file you just edited should still be open. Select the **Corrected (IRS)** checkbox and click **Save**.

Enter/Edit Form 1095-C

Transaction #: 3744 Tax Year: 2018 ☒ Full Time ☐ Corrected (Employee) ☒ Corrected (IRS) Reviewed

Form 1095-C Monthly Hour Totals Employment/Coverage

Part I - Employee

Account #: 2 Name Key: JGUTIER Last Name: GUTIERRES First Name: JOHN

Mail Address: MAILING ADDRESS Record ID: 1

City/State/Zip: CITY ST ZIP

Part II - Employer Offer and Coverage

Plan Start Month: 01

Print 1095-C's Check Report... Employee... Recompile... Save Clear Delete

Each corrected transaction being mailed to the IRS must have the **Corrected (IRS)** checkbox selected and saved. When this checkbox is selected, an “X” will be printed in the ‘CORRECTED’ checkbox at the top of the form. See the following image:

600117

Form **1095-C**  
Department of the Treasury  
Internal Revenue Service

**Employer-Provided Health Insurance Offer and Coverage**  
Do not attach to your tax return. Keep for your records.  
Go to [www.irs.gov/Form1095C](http://www.irs.gov/Form1095C) for instructions and the latest information.

☐ VOID ☒ CORRECTED OMB No. 1545-2251 **2018**

Part I Employee			Applicable Large Employer Member (Employer)		
1 Name of employee <b>JOHN GUTIERREZ</b>	2 Social security number (SSN) <b>000-00-0025</b>	7 Name of employer <b>Datatech</b>	8 Employer identification number (EIN) <b>12-3456789</b>		
3 Street address (including apartment no.) <b>STREET ADDRESS</b>	6 Country and ZIP or foreign postal code <b>ZIP</b>	9 Street address (including room or suite no.) <b>Address</b>	10 Contact telephone number <b>(559) 123-4567</b>		
4 City or town <b>CITY</b>	5 State or province <b>ST</b>	11 City or town <b>City</b>	12 State or province <b>St</b>		
		13 Country and ZIP or foreign postal code <b>ate, Zip</b>			

- Continue to open transactions and edit employee files until all corrections have been made. Once you have made your final correction, leave the Enter/Edit Form 1095-C window open and continue to Step 7.

## Print 1095-C Forms (IRS Copies)

7. Click the **Print 1095-C's** shortcut on the Enter/Edit Form 1095-C window. The **Print 1095-C Forms** window will open.

Print 1095-C Forms

Tax Year to Print: 2018

Select Form:

- ☐ Portrait Mailer
- ☒ Landscape IRS Form
- ☒ Landscape Blank Paper
- ☐ Portrait Blank Paper
- ☒ Print Employee Instructions

Print Order:

- ☒ Alphabetical
- ☐ Account #
- ☐ Social Security #
- ☐ Zip Code

Employees to Print:

- ☐ All
- ☐ Single
- ☐ Resume Printing
- ☒ Multiple **Select**
- ☐ Reviewed/Unprinted Only
- ☐ Unprinted Only
- ☐ Full Time December Only
- ☐ Corrected (Employee Copy)
- ☐ Part Time Only
- ☐ Unreviewed Only

Start Printing with Employee...

Account #:  Name Key:

Name:

☐ Skip Employees With Bad/No Address (Employee Copy Only)

☐ Truncate Social Security Numbers (Employee Copy Only)

Export Addresses:

Vertical Offset: 0.0000 Company Vert.: 0.7000 Employee Vert.: 2.6400

Horizontal Offset: 0.0000 Company Horz.: 0.0900 Employee Horz.: 0.0900

**Preview** Print Setup Print Cancel

8. Ensure the correct tax year is entered.
9. Select either of the landscape options in the Select Form section.
10. Select **Multiple** in the Employees to Print section and click **Select**. Continue to select all employee accounts you have edited and saved as Corrected (IRS). Click **Ok**.

Select Employees... (3 employees selected)

Acct #	Name Key	S.S. #	Last Name	First name	Crew #
2 JGUTIER	000 00 0025	GUTIERREZ	JOHN	0	

Clear Selections Show... ☒ Active ☐ Inactive ☐ All Search... **Ok** Cancel

11. Click **Preview** on the Print 1095-C Form window. Ensure all corrected forms have been selected and the information being corrected is accurate. Click **Print** to print IRS copies of the corrected forms.
12. Create a new 1094-C to accompany your corrected 1095-C forms. Go to **ACA > Annual Reports > Enter/Edit 1094-C Form**.
13. Enter the Tax Year being corrected, your contact information, and the total number of Forms 1095-C being submitted with this transmittal. Click **Print**.

**Caution: Do not** select the Corrected checkbox or the Check this box if this is the authoritative transmittal for this ALE Member checkbox when creating a new 1094-C to accompany corrected 1095-C forms.

14. Ensure your printed 1094-C and all your 1095-C correction forms are reviewed for accuracy before being mailed to the IRS.

## Correct a 1094-C Form

The following steps are general instructions for creating a **Corrected Form 1094-C** for the IRS. You will need to file a standalone, fully completed Corrected Form 1094-C. If you have any additional questions, please refer to the current IRS Instructions for Forms 1094-C and 1095-C.

Depending on what information is being corrected on your 1094-C, it may be necessary to first make corrections to HRM settings or employee files and reissue corrected 1095-C's to employees. See [Section 7, Part 2](#).

You may determine on your own that your original Authoritative Transmittal 1094-C contained errors. Or you may receive a penalty assessment letter 226J informing you of the errors, (please follow all instructions in the letter and provide any and all supporting documentation needed to substantiate your response.)

**Caution: Do not** file a return correcting information on a Form 1094-C that is not the Authoritative Transmittal.

If you do not need to correct and reissue 1095-C's or you have already done so, follow these instructions:

1. Go to **ACA > Annual Reports > Enter/Print 1094-C Form**.

Enter/Edit 1094-C Form

Transaction #:  Tax Year: **2018** Reviewed

Parts I & II Part III Part IV

☒ Corrected

Part I

ALE Member (Employer):  12-3456789

Address:

City, State & Zip:

Contact Name:  John Smith Contact Phone:  559-123-4567

Total number of Forms 1095-C submitted with this transmittal:  153

Check this box if this is the authoritative transmittal for this ALE Member: ☒

Part II

Total number of Forms 1095-C filed by and/or on behalf of ALE Member:

Check this box if the ALE Member is a member of an Aggregated ALE Group: ☐

Certification of Eligibility (select all that apply):

☒ A. Qualifying Offer Method ☐ B. Qualifying Offer Method Transition Relief ☐ C. Section 4980H Transition Relief ☐ D. 98% Offer Method

Title of Signer:  John Smith Date of Form:  03/14/2019

Print Save Clear Delete

- Enter the **Tax Year** of the original Authoritative Transmittal you are correcting.
- Select the **Corrected** checkbox.
- Select the **Check this box if this is the authoritative transmittal for this ALE Member** checkbox.
- Complete the **Parts I & II** tab, filling in all applicable entries. Do not manually enter the number of forms you are submitting. The compile will automatically fill in these entries.
- Click the **Part III** tab and then click **Compile**.

Enter/Edit 1094-C Form

Transaction #:  Tax Year: **2018** Reviewed

Parts I & II **Part III** Part IV

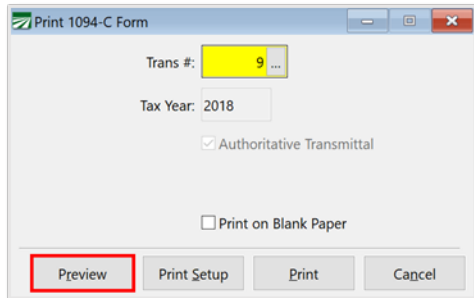
	Minimum Required Coverage Offer Ind.	Full Time Employees Count For ALE Member	Part Time Employees Count For ALE Member	Aggregated Group Indicator	Section 4980H Transition Relief Ind.
All 12 Months	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>	<input type="text"/>
November	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>	<Unk>
December	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>	<Unk>

Compile Print Save Clear Delete

- The **MEC Offer Report** will appear, review this report for accuracy. Then examine each line of the original 1094-C form and compare it

with your corrected 1094-C information. Ensure all fields in Parts I & II, Part III, and Part IV (as applicable) are now filled out correctly.

8. Click **Print**. The Print 1094-C window will appear as shown in the following image. When you click Preview or Print in this window, your corrected transaction will be saved automatically.



9. Mail your Corrected 1094-C to the IRS. Include any supporting documentation requested in your assessment Letter 226J, if applicable.

**For more information:** See [\*Section 7, Part 4, Dealing with Penalty Assessment Letters.\*](#)

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# Dealing with Penalty Assessment Letters

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## What is a Letter 226J?

The IRS examines each Information Return, and when they find that any aspect of the ACA law was not followed, they issue a Letter 226J. This informs you of any possible liability for an Employer Shared Responsibility Payment (ESRP).

The determination of whether an ALE may be liable for an ESRP, and the amount of the proposed ESRP in Letter 226-J, are based on information from Forms 1094-C and 1095-C filed by the ALE **and** the individual income tax returns filed by the ALE's employees.

The IRS has provided a Sample Letter 226J that you can [DOWNLOAD](#).

The letter provides instructions on how to respond to the proposed penalties and provide supporting documentation for any disputed penalty assessment.

If the IRS requests a corrected 1094-C Form, follow the instructions above to create and print a Corrected 1094-C. Then print, sign and mail the corrected form along with your documentation and written response to Letter 226-J.

**The following is found on the IRS website and is subject to change:**

### What you need to do

- Read your letter and attachments carefully. These documents explain the ESRP process and how the information received affects the computation.
- The letter fully explains the steps to take if you agree or disagree with the proposed ESRP computation.
- Complete the response form ([Form 14764](#)) indicating your agreement or disagreement with the letter.
- If you disagree with the proposed ESRP liability, you must provide a full explanation of your disagreement and/or indicate changes needed on [Form 14765](#) (PTC Listing). Return all documents as instructed in the letter by the response date.
- If you agree with the proposed ESRP liability, follow the instructions to sign the response form and return it along with full payment in the envelope provided.

### You may want to

- Review the information reported on Forms 1094-C and 1095-C for the applicable year to confirm that the information filed with the IRS was accurate, because the IRS uses that information to compute the ESRP.
- Keep a copy of the letter and any documents you submit.
- Contact the IRS using the information provided in the letter if you have any questions or need additional time to respond.
- Send the IRS a Form 2848 (Power of Attorney and Declaration of Representative) to allow someone to contact them on your behalf. Note that the Form 2848 must state specifically the year and that it is for the Section 4980H Shared Responsibility Payment.



# Answers to Common 226J Questions

## **Why did I receive this letter?**

The IRS used the information you provided on Forms 1094/5-C and determined that you are potentially liable for an ESRP.

## **Where did the IRS get the information used to compute the ESRP?**

The IRS used form 1094/5-C filed by the ALE and the individual income tax returns of your full-time employees to identify if they were allowed a premium tax credit.

## **Is this letter a bill?**

No, the letter is the initial proposal of the ESRP.

## **What do I need to do?**

Review the letter and attachments carefully and complete the response form by the date provided.

## **What do I do if the information is wrong or I disagree?**

Follow the instructions in the letter to provide corrected information for consideration by the IRS. The IRS will reply with a letter informing you of their final determination.

## **Do I have appeal rights?**

Yes, the acknowledgement letter that you receive will spell out all your rights, including your right to appeal.

# General Information

For more info visit [ACA information center for Applicable Large Employers](#)

## **How to get help**

Call the number of the IRS employee listed on the top right corner of your letter.

## **About the Office of Appeals**

The Office of Appeals is an independent organization within the IRS that helps taxpayers resolve their tax disputes through an informal, administrative process. Their mission is to resolve tax controversies fairly and impartially, without litigation. Appeals reviews cases after the IRS has made its decision, offering an objective point of view on each appealed case.

Appeals also offers mediation services through Fast Track Settlement and other programs. These mediation programs are designed to help you resolve your dispute at the earliest possible stage in the audit or collection process.

## **Getting Started with Appeals**

If you've received an IRS letter stating that your case qualifies to be reviewed by Appeals, then the following topics will help you get started.

- [Appeals – An Independent Organization](#)
- [Is Appeals the place for you?](#)
- [Requesting an Appeal](#)
- [What can you expect from Appeals?](#)
- [How Appeals is organized](#)

## What are Letters 227?

The various Letters 227 are acknowledgement letters sent to close an ESRP inquiry or provide the next steps to the Applicable Large Employer (ALE) regarding the proposed Employer Shared Responsibility Payment (ESRP). There are five different 227 letters:

- [Letter 227-J](#) acknowledges receipt of the signed agreement [Form 14764](#), ESRP Response, and that the ESRP will be assessed. After issuance of this letter, the case will be closed. No response is required.
- [Letter 227-K](#) acknowledges receipt of the information provided and shows the ESRP has been reduced to zero. After issuance of this letter, the case will be closed. No response is required.
- [Letter 227-L](#) acknowledges receipt of the information provided and shows the ESRP has been revised. The letter includes an updated [Form 14765](#) (PTC Listing) and revised calculation table. The ALE can agree or request a meeting with the manager and/or appeals.
- [Letter 227-M](#) acknowledges receipt of information provided and shows that the ESRP did not change. The letter provides an updated [Form 14765](#) (PTC Listing) and revised calculation table. The ALE can agree or request a meeting with the manager and/or appeals.
- [Letter 227-N](#) acknowledges the decision reached in Appeals and shows the ESRP based on the Appeals review. After issuance of this letter, the case will be closed. No response is required.

### What you need to do

- Read your letter and attachments carefully. These documents explain the next steps available and provide information on how the case will be resolved.
- If appropriate, complete the response [Form 14764](#) indicating your agreement or disagreement. If you disagree with the proposed ESRP, you must provide an explanation of why you disagree and/or indicate changes needed on [Form 14765](#). Return all documents as instructed in the letter by the response date. If you agree with the proposed ESRP, follow the instructions to sign the response form and return it with full payment in the envelope provided.

### You may want to

- Review the information reported on Forms 1094-C and 1095-C for the appropriate year to make sure that the information provided

was accurate because the IRS used that information to compute the ESRP.

- Review the information provided in response to the Letter 226-J to make sure it was used to compute the ESRP by the IRS.
- Keep a copy of the letter and any documents you submit.
- Contact the IRS using the information provided in the letter if you have any questions or need additional time to respond.
- Send the IRS Form 2848 (Power of Attorney and Declaration of Representative) to allow someone to contact us on your behalf. The Form 2848 must state the year and that it is for the Section 4980H Shared Responsibility Payment.

## **Answers to Common 227 Questions**

### **Why did I receive this letter?**

The IRS used the information you provided in response to the initial Letter 226-J to review your ESRP. The Letter 227 version that you received explains the outcome of that review and the next steps to take to fully resolve the ESRP.

### **Where did the IRS get the information used to compute the ESRP?**

The IRS used Forms 1094/5-C filed and the income tax returns of your full-time employees to identify if they were allowed a premium tax credit. If changes to that information were submitted in response to a Letter 226-J, the IRS considered that information and, if needed, updated the proposed ESRP.

### **Is this letter a bill?**

No, the Letter 227 is not a bill. A CP220J, a bill, will be received after the ESRP has been assessed.

### **What do I need to do?**

Review the letter and attachments carefully and complete and return the Letter 227-L or 227-M by the date provided.

### **What do I do if the information is wrong or I disagree?**

Discuss your issues or concerns with the person working your case. Use the information provided on the letter to contact the IRS or send them your questions in writing to the address shown on the letter.

### **Do I have appeal rights?**

Yes, the letter you receive will explain all of your rights, including your right to appeal.

### **General Information**

For more info visit [ACA information center for Applicable Large Employers](#).