



# The Deadline Calendar



**The Affordable Care Act requires Applicable Large Employers to file and furnish information to the IRS and employees every year. If employers fail to comply with ACA requirements, they may be subject to significant IRS penalty assessments. To comply with the ACA Employer mandate, employers should meet the following deadlines.**

## **Mark the following dates on your calendar**

### **January 31**

The deadline for providing a copy of the 1095 form to your employees is January 31. The IRS has proposed a 30 day extension to give employers additional time to complete this task.

### **February 28**

If you are filing your 1094 forms with the IRS with a paper form, the deadline for completion is February 28. Starting in 2022, all companies with more than 100 employees are required to e-file with the IRS AIRS system. Previously, the maximum employee count was 250 employees.

### **March 31**

Employers must complete the e-filing process with the IRS by March 31. This includes the transmission of your 1094 and 1095 forms. Additionally, several states also have a filing deadline of March 31 (CA, MA, NJ, and RI). If you are filing in Washington DC, the deadline is April 30.





If employers fail to meet these deadlines, they may face penalties under IRC 6721/6722. The IRS issues this penalty through Letter 226J. Employers have 30 days to respond to the penalty notice after its issue date. Employers that fail to comply with IRC 6721/6722 in the last three years face the following penalties:

Employers who don't file ACA information returns with the IRS within 30 days after the deadline will have to pay a \$50 penalty per return not filed that will not exceed an annual maximum of \$588,500. Employers who fail to file correctly after 31 days until August 1, 2023 will then have to pay \$110 per return not filed but will not exceed an annual maximum of \$1,766,000. The penalty amount after August 1st will increase to \$290 per return but will not exceed an annual maximum of \$3,532,500. If an employer misses the deadline willfully, the penalty will be \$550 per return with no annual maximum limit. Employers with less than \$5 million gross receipts in the last three years will have to pay the same penalty.

The IRS will also issue penalties for failing to comply with the ACA Employer Mandate. Employers with 50 or more full-time or FTE employees must pay Minimum Essential Coverage (MEC) to at least 95% of their employees. Only those employers who are in conjunction with Employer Shared Responsibility Payment, the ACA's Employer Mandate, and ALEs, need to do so. Otherwise, they'll be subjected to the Internal Revenue Code (IRC) 4980H penalties issued through IRS Letter 226J.