




# 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**

State of California deadline for 1095 distribution.



### **March 2**

IRS deadline for providing a copy of the 1095 forms to your employees is March 2nd.



### **March 31**

Employers must complete the e-filing process with the IRS by March 31st. This includes the transmission of your 1094 and 1095 forms.

*State-specific filing for this date includes: CA, MA, NJ, and RI.*



### **April 30**

Washington DC deadline for e-filing process.





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 face the following penalties:

Employers who do not file their ACA information by the March 31 filing deadline will be subject to a penalty. The penalties are calculated per form that is not filed by the March 31 deadline. The penalty increases if the forms are not filed within 30 days of the deadline. And, the penalties increase again if they are not filed by August 1. The penalties for not filing on time have been increased by the IRS each year recently.

Applicable Large Employers (ALEs) are also subject to the employer shared responsibility provisions (ESRP).

The ACA regulations state that all ALEs must offer healthcare coverage to at least 95% of employees who meet the ACA definition of full-time (averages 30 hours/week).

The offer of coverage must provide minimum essential coverage (MEC), meet minimum value (MV), and be affordable. The IRS changes the affordability percentage each year. The penalty, often referred to as the sledgehammer penalty, is assessed when an ALE does not make an offer of coverage to at least 95% of the ACA FT employees. This penalty is called the sledgehammer because the IRS calculated the penalty based on the total count of ACA FT employees for every month the compliance percentage is below 95%.

