

# Form 1095-B and Form 1095-C Frequently Asked Questions

## **What is the Form 1095-C?**

The Affordable Care Act (ACA) requires employers to send a tax form called the 1095-C to certain employees. The 1095-C contains detailed information about the health care coverage offered by your employer. As with any important tax document, you should keep the form(s) for your records.

## **Why did I get a Form 1095-C?**

If you worked an average of 30 or more hours per week in the tax year (or maintained ACA qualifying status for any portion of the tax year) for an employer with 50 or more full-time equivalent employees, you should receive a 1095-C.

## **Who receives the Form 1095-B from their health plan?**

All employees enrolled in an employer sponsored health plan during the tax year, regardless of full-time status, will receive a Form 1095-B. Medical carriers are required to report to the IRS about the coverage provided to employees and their dependents during the previous tax year. The City's medical carriers are required to provide an informational statement (Form 1095-B) to each subscriber about the information they will report to the IRS. You may also receive another Form 1095-B if you were enrolled in another employer's health plan during the tax year.

## **Why did I get more than one Form 1095-C?**

If you worked an average of 30 hours per week or more during the tax year for more than one employer, you may receive a 1095-C from each employer.

## **What should I do with my Form 1095-B and 1095-C?**

Keep your forms for your records with your other important tax documents. You **will not** need to attach your forms to your tax return or send it to the IRS.

## **Do I need my Form 1095-B or 1095-C to file my taxes?**

**No. Individuals do not need a copy of their 1095-B or 1095-C when filing tax returns. However, you should keep the form with your tax records.**

## **What if I have questions?**

If you have additional questions about your 1095-C, please contact a tax professional. You may also visit [www.irs.gov](http://www.irs.gov) or [www.healthcare.gov](http://www.healthcare.gov) to learn more.

## **When will I get my Form 1095-C from the City?**

1095-C forms are available via eCaps in self-service if you have provided consent to receive your document electronically. If you did not consent to receive your form via eCaps self-service, a paper copy of your form will be mailed and postmarked on or before March 2 to your address on file in eCaps. If you believe you should have received a form but did not, email Benefit Services at [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org).

### **What information is on the Form 1095-C?**

There are three parts to the form:

- Part 1: reports information about you and your employer.
- Part 2: reports information about the coverage offered to you by your employer, the affordability of the coverage offered, and the reason why you were or were not offered coverage.
- Part 3: reports information about the individuals (including dependents) covered under a self-insured plan. The City of Sacramento health plans are not “self-insured” plans. **Part 3 will be blank on 1095-C forms issued by the City of Sacramento.**

### **How will the Form 1095-C impact my Federal taxes?**

The Shared Responsibility Payment (the penalty for not maintaining minimal essential coverage) was eliminated due to the Tax Cuts and Jobs Act (signed 12/22/2017). Please visit [www.irs.gov](http://www.irs.gov) or [www.healthcare.gov](http://www.healthcare.gov) to learn more.

### **How will the Form 1095-C impact my State of California taxes?**

California residents who do not have coverage for themselves and their dependents, and who do not qualify for an exemption, will pay a penalty of \$750/adult or more and \$375/minor, or 2.5% of their gross income over the filing threshold for their filing status, whichever is higher. The penalty for a married couple without coverage can be \$1,500 or more and the penalty for a family of four with two dependent children could be \$2,250 or more. For more information about California’s health care mandate, visit the [Franchise Tax Board website](#).

### **What is the difference between the 1095-A, 1095-B, and 1095-C?**

The forms are very similar. The main difference is *who* sends you the form.

- You will receive a 1095-A if you were covered by a federal or state marketplace (also called an exchange) plan.
- You will receive a 1095-B from your medical insurance carrier if you were covered by other insurers such as small self-funded groups or employers who use the Small Business Health Options Program (SHOP).
- You should receive a 1095-B from your medical carrier if you were enrolled in a City of Sacramento medical insurance plan during the tax year, or if you had other group medical insurance from another employer during the tax year.
- You will receive a 1095-C from your employer(s) who provided you medical coverage during the tax year.

For any other question you might have, please contact Benefit Services at [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org).