

ALERTS!

(7/2/13)

Treasury Delays Employer Responsibility and Information Reporting Requirements Until 2015!!

This evening, Mark J Mazur, Assistant Secretary for Tax Policy at the US Department of the Treasury released an announcement late this afternoon that President Obama will delay the mandatory employer and insurer reporting requirements under the Affordable Care Act until 2015! The reporting requirements impact "applicable large employer groups," those with more than 50 employees.

Treasury made an announcement in the "Treasury Notes" blog that it is delaying the implementation of the Code section 6055 and 6056 information reporting provisions until 2015. This news was somewhat expected since no reporting guidance has been issued to date.

Surprisingly, however, Treasury also announced its decision to delay the effective date for the employer shared responsibility liability itself until 2015.

The announcement states that Treasury recognizes that the Code section 4980H employer shared responsibility provisions could not be enforced without information reporting, and so Treasury is also delaying the application of the Code section 4980H employer shared responsibility provisions until 2015. This is welcome news given the fact that the employer shared responsibility proposed regulations, which were published on January 2, 2013, left several very important questions unanswered.

The administration acknowledges the reporting requirements, the steps businesses have to take to show they are complying with the law, are complex. The government will work to streamline these requirements over the next year.

This decision does not affect the individual mandate, the requirement that most Americans get insurance.

The link to the complete announcement is at
<http://www.treasury.gov/connect/blog/Pages/Continuing-to-Implement-the-ACA-in-a-Careful-Thoughtful-Manner-.aspx>

Please contact us if you have any immediate questions or concerns.

We will be issuing further updates as to the implications of this action as formal guidance, setting forth the details of this transition relief, is expected in the near future.