# **AFFORDABLE CARE ACT (ACA)**

### **Approaching the ACA**

For each person in the tax household:



#### Did this person have coverage all year?

If YES: In ACA Worksheet, check "Full" for that person. (See software image on next page) If "Full" is checked for every person on the return, TaxWise will check the box on Form 1040, page 2.



#### Is this person eligible for an exemption for any month without coverage?

If YES: In ACA Worksheet, check "Exm" and complete Form 8965.



#### Does this person have no coverage AND no exemption for any month during the year?

If YES: In ACA Worksheet, check each month with no coverage AND no exemption. A shared responsibility payment will be calculated for that person for that month.

If this person has no coverage AND no exemption in EVERY month of the year, check "None."



#### Did this person have qualifying health plan coverage purchased through the Marketplace?

If YES: In ACA Worksheet, check "Mkt" and complete Form 8962.



#### Remember

- Each person in the tax household should be screened individually to determine in which months the person has coverage, is eligible for an exemption, or is subject to a shared responsibility payment.
- A tax return claiming zero personal exemptions (a dependent filing his or her own return) should not complete the ACA Worksheet. The dependent's coverage exemption or premium tax credit will be reported on the return of the taxpayer who properly claims his or her dependency exemption.

# **TaxWise ACA Worksheet**

#### **TaxWise Tip**

**ACA Worksheet** must be completed unless the return is being filed by a dependent.

#### **TaxWise ACA Worksheet** Full None Mkt Exm Aug Jan Feb Mar Apr May Jun Jul Sep Oct Nov Dec D JOHN SMITH Under age 18 at beginning of month **✓ ✓ ✓** JANE SMITH Under age 18 at beginning of month KATIE SMITH **✓ \*** Under age 18 at beginning of month **✓ 4 4 4 4 4 4 ✓** 1

Check to indicate if the individual had coverage all year.

Check to indicate if the individual had no coverage <u>AND</u> no exemption for all 12 months.

- Do not select "None" for a person who was born or died during the year. The coverage requirement applies only to FULL months alive.
- The coverage requirement for an adopted child applies only to the FULL months after the adoption occurs.
- Do not select "None" if a person had either coverage or an exemption for any month.

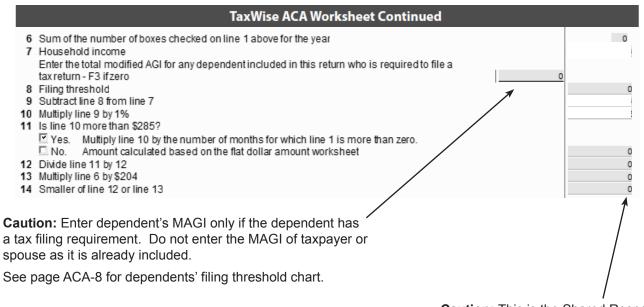
Check to indicate if the individual had coverage through the Marketplace for at least one month. Also complete Form 8962 using Form 1095-A.

Check to indicate if the individual qualifies for an exemption for at least one month. Also complete Form 8965. **Caution!** Check only the months when the person had no coverage <u>AND</u> no exemption. These are the shared responsibility payment months.

TaxWise will check these boxes (based on date of birth) to indicate people under age 18, which affects the shared responsibility payment computation.

**Caution!** This page contains the 2014 TaxWise ACA Worksheet which is being revised. An updated page will be included in Publication 4491X if needed.

	Ta	xWise	ACA	Woi	rksh	eet (	ont	inue	d				
Under age 18 at beginning of month	O	C											
Under age 18 at beginning of month		C											
Under age 18 at beginning of month			□										
Under age 18 at beginning of month	C	C	□	□									
Under age 18 at beginning of month	C	O											
The first 6 lines of the worksheet are calculated fields. Use the non-calculated lines of this worksheet to enter individuals who could be claimed as dependents but are not claimed on this return.  Use the override function to check the "under 18" boxes if needed.													



**Caution:** This is the Shared Responsibility Payment.

If everyone on the tax return has MEC or qualifies for an exemption for every month the amount on this line should be 0.

#### **Types of Minimum Essential Coverage**

Minimum essential coverage means health care coverage under any of the following programs. It does not, however, include coverage consisting solely of excepted benefits. Excepted benefits include stand-alone vision and dental plans (except pediatric dental coverage), workers' compensation coverage, and coverage limited to a specified disease or illness.

#### Employer-sponsored coverage:

- Group health insurance coverage for employees under-
  - A governmental plan, such as the Federal Employees Health Benefit program
  - A plan or coverage offered in the small or large group market within a state
  - A grandfathered health plan offered in a group market
- A self-insured health plan for employees
- COBRA coverage
- Retiree coverage

#### Individual health coverage:

- · Health insurance you purchase directly from an insurance company
- Health insurance you purchase through the Marketplace
- Health insurance provided through a student health plan

#### Coverage under government-sponsored programs:

- Medicare Part A coverage
- Medicare Advantage plans
- Most Medicaid coverage\*
- Most Children's Health Insurance Program (CHIP) coverage\*
- Most types of TRICARE coverage
- Comprehensive health care programs offered by the Department of Veterans Affairs
- Health coverage provided to Peace Corps volunteers
- Department of Defense Nonappropriated Fund Health Benefits Program
- Refugee Medical Assistance

#### Other coverage:

- Certain foreign coverage
- Certain coverage for business owners
- Coverage recognized by HHS as minimum essential coverage.\*\*

\*Medicaid and CHIP programs that provide limited benefits generally don't qualify as minimum essential coverage; however, HHS will provide a hardship exemption to individuals with certain types of limited-benefit Medicaid and CHIP coverage.

\*\*Plans recognized as minimum essential coverage are listed at: <a href="www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/minimum-essential-coverage.html">www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/minimum-essential-coverage.html</a>, scroll down and click on the link for the list of approved plans.

# **Exemptions: Overview**

#### **Exemptions: Where do I start?**



#### Does anyone in the tax household already have an exemption in hand from the Marketplace?

Marketplace exemptions require an *application*. If a person applied for an exemption through the Marketplace (or if they were granted an exemption automatically because they were denied Medicaid coverage in a state that did not expand Medicaid), they should have received an Exemption Certificate Number (ECN) from the Marketplace. It is a 6 or 7 digit alphanumeric code.



#### Is household or gross income under the filing threshold?

If YES, check box 7a or 7b on Form 8965, Part II. Everyone on the tax return is exempt from the coverage requirement, and there is no need to consider additional exemptions. (See page ACA-7 for more information.)



If the family does not qualify for an exemption under Step 2, does any individual qualify for an exemption that can be claimed directly on the tax return?

If YES, enter the exemption code on Form 8965, Part III. (See page ACA-9 for more information.)



# For any uninsured individual that does not qualify under Step 2 or 3, does any individual in the tax household qualify for an exemption from the Marketplace?

If YES, direct the person to the Marketplace for additional help. Enter "pending" on Form 8965, Part I, if the Marketplace has not processed the application for exemption before the return is filed. A tax return with a "pending" exemption can still be e-filed. The IRS will follow-up with a taxpayer directly on all Pending submissions if the Marketplace does not approve the exemption.

Part I: Marketplace-Granted Coverage Ex	Form 8965 i		ise		Part I: Enter information in
If you and / or a member of your tax Please note that the lines below mark a Name of individual		nly and will not			Part I: Enter information in Part I only if the individual has an exemption from the Marketplace or is applying for one. Enter "pending" if the
1 2 3 4 5 6					Marketplace has not processed the application for exemption before the return is filed.
Part II: Coverage Exemptions for Your H	ousehold Claimed on Yo	our Return			Part II and Part III: Most
Filing threshold Household income from ACA worksheet Estimated gross income entered in this retu				2030( 2056) 2066(	exemptions will be entered in Parts II and III.
7a Are you claiming an exemption because yo b Are you claiming a hardship exemption bec				<u>○</u> Yes <u>○</u> No <u>○</u> Yes <u>○</u> No	
Part III: Coverage Exemptions for Individu If you and / or a member of your tax Please note that the lines below mark	household are claiming an	exemption on y			Multiple exemptions cannot be indicated on a single line.
a b Name SSN	c d Exemption Full type year	e f g Jan Feb Mar		k I m n o p Jul Aug Sep Oct Nov Dec	If a person is eligible for multiple exemptions covering different months, enter his or
8 0					her name on multiple lines.

#### **Types of Coverage Exemptions**

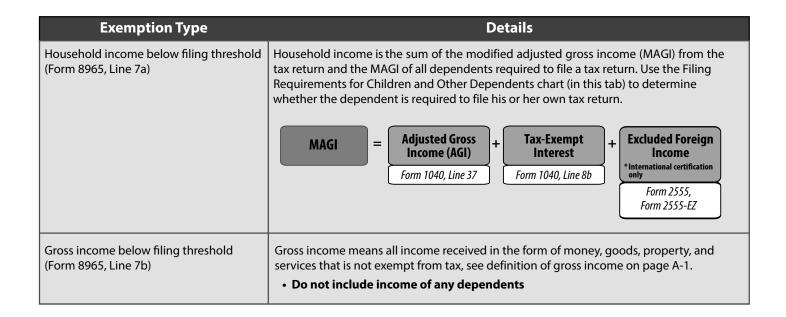
This chart shows all of the coverage exemptions available for 2015, including information about where the coverage exemptions can be obtained and the code for the coverage exemption that is to be used on Form 8965 when you claim the exemption. If your coverage exemption was granted by the Marketplace, you will need to enter the Exemption Certificate Number (ECN) provided by the Marketplace (see the instructions for <u>Part I</u>).

Coverage Exemption	Granted by Marketplace	Claimed on tax return	Code for Exemption
<b>Income below the filing threshold</b> — Your gross income or your household income was less than your applicable minimum threshold for filing a tax return.		1	No Code See Part II
<b>Coverage considered unaffordable</b> — The minimum amount you would have paid for premiums is more than 8.05% of your <u>household income</u> .		1	А
Short coverage gap — You went without coverage for less than 3 consecutive months during the year.		1	В
Citizens living abroad and certain noncitizens — You were:  • A U.S. citizen or resident who spent at least 330 full days outside of the U.S. during a 12-month period;  • A U.S. citizen who was a bona fide resident of a foreign country or U.S. territory;  • A resident alien who was a citizen of a foreign country with which the U.S. has an income tax treaty with a nondiscrimination clause, and you were a bona fide resident of a foreign country for the tax year;  • Not lawfully present in the U.S and not a U.S. citizen or U.S. national. For more information about who is treated as lawfully present for purposes of this coverage exemption, visit healthcare.gov; or  • A nonresident alien, including (1) a dual-status alien in the first year of residency and (2) a nonresident alien or dual-status nonresident alien who elects to file a joint return with a spouse. For definitions of resident alien and nonresident alien, see IRS Tax Topic 851 at www.irs.gov/taxtopics/tc851.html.		1	С
<b>Members of a health care sharing ministry</b> — You were a member of a health care sharing ministry.	1	1	D
Members of Indian tribes — You were either a member of a Federally-recognized Indian tribe, including an Alaska Native Claims Settlement Act (ANCSA) Corporation Shareholder (regional or village), or you were otherwise eligible for services through an Indian health care provider or the Indian Health Service.	1	1	E
Incarceration — You were in a jail, prison, or similar penal institution or correctional facility after the disposition of charges.	✓	1	F
<b>Aggregate self-only coverage considered unaffordable</b> — Two or more family members' aggregate cost of self-only employer-sponsored coverage was more than 8.05% of household income, as was the cost of any available employer-sponsored coverage for the entire family.		1	G
Resident of a state that did not expand Medicaid— Your household income was below 138% of the federal poverty line for your family size and at any time in 2015 you resided in a state that didn't participate in the Medicaid expansion under the Affordable Care Act.		1	G
Member of tax household born, adopted, or died—During 2015 a child was added to your tax household by birth or adoption, or a member of your tax household died during the year and you can't check the full-year coverage checkbox on your tax return.		1	Н
Members of certain religious sects — You are a member of a recognized religious sect.	1		Need ECN See Part I
Determined ineligible for Medicaid in a state that didn't expand Medicaid coverage — You were determined ineligible for Medicaid solely because the state in which you resided didn't participate in Medicaid expansion under the Affordable Care Act.	1		Need ECN See Part I
General hardship — You experienced a hardship that prevented you from obtaining coverage under a qualified health plan.	1		Need ECN See Part I
Coverage considered unaffordable based on projected income — You didn't have access to coverage that is considered affordable based on your projected household income.	1		Need ECN See Part I
Unable to renew existing coverage — You were notified that your health insurance policy was not renewable and you considered the other plans available unaffordable.	√		Need ECN See Part I
Certain Medicaid programs that are not minimum essential coverage —You were (1) enrolled in Medicaid coverage provided to a pregnant woman that is not recognized as minimum essential coverage; (2) enrolled in Medicaid coverage provided to a medically needy individual (also known as Spend-down Medicaid or Share-of-Cost Medicaid) that is not recognized as minimum essential coverage; or (3) enrolled in Medicaid, and received minimum essential coverage for one or more months of the year by meeting a spend-down, but not in other months because the spend-down had not been met.	1		Need ECN See Part I

Hardship Exemptions Granted by the Marketplace					

# **Exemptions: Form 8965, Part II**

### **Household Exemptions for Income Below Filing Threshold**



If either exemption applies, **stop**.

There is no need to consider other exemptions for individual members of the household.

### 2015 Federal Tax Filing Requirement Thresholds

Filing Status	Age	Must file a return if gross income exceeds
Single	Under 65 65 or older	\$10,300 \$11,850
Head of Household	Under 65 65 or older	\$13,250 \$14,800
Married Filing Jointly	Under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$20,600 \$21,850 \$23,100
Married Filing Separately	Any age	\$4,000
Qualifying Widow(er) with Dependent Children	Under 65 65 or older	\$16,600 \$17,850

Gross income means all income you received in the form of money, goods, property, and services that is not exempt from tax, including any income from sources outside the United States or from the sale of your main home (even if you can exclude part or all of it). Include only the taxable part of social security benefits (Form 1040, line 20b; Form 1040A, line 14b). Also include gains, but not losses, reported on Form 8949 or Schedule D. Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, do not reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.

# 2015 Federal Tax Filing Requirement Thresholds - Dependents

If your parent (or someone else) can claim you as a dependent, use this chart to see if you must file a return.

In this chart, unearned income includes taxable interest, ordinary dividends, and capital gain distributions. It also includes unemployment compensation, taxable social security benefits, pensions, annuities, and distributions of unearned income from a trust. Earned income includes salaries, wages, tips, professional fees, and taxable scholarship and fellowship grants. **Gross income** is the total of your unearned and earned income.

Sir	ngle dependents. Were you either age 65 or older or blind?
	<ol> <li>No. You must file a return if any of the following apply.</li> <li>Your unearned income was over \$1,050.</li> <li>Your earned income was over \$6,300.</li> <li>Your gross income was more than the larger of —         <ul> <li>a. \$1,050, or</li> <li>b. Your earned income (up to \$5,950) plus \$350.</li> </ul> </li> </ol>
	<ol> <li>Yes. You must file a return if any of the following apply.</li> <li>Your unearned income was over \$2,600 (\$4,150 if 65 or older and blind).</li> <li>Your earned income was over \$7,850 (\$9,400 if 65 or older and blind).</li> <li>Your gross income was more than the larger of —         <ul> <li>\$2,600 (\$4,150 if 65 or older and blind) or</li> <li>Your earned income (up to \$5,950) plus \$1,900 (\$3,450 if 65 or older and blind).</li> </ul> </li> </ol>
Ма	rried dependents. Were you either age 65 or older or blind?
	<ol> <li>No. You must file a return if any of the following apply.</li> <li>Your unearned income was over \$1,050.</li> <li>Your earned income was over \$6,300.</li> <li>Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions</li> <li>Your gross income was more than the larger of —         <ul> <li>a. \$1050, or</li> <li>b. Your earned income (up to \$5,950) plus \$350.</li> </ul> </li> </ol>
	Yes. You must file a return if any of the following apply.  1. Your unearned income was over \$2,300 (\$3,550 if 65 or older and blind).  2. Your earned income was over \$7,550 (\$8,800 if 65 or older and blind).

- - 3. Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions.
  - 4. Your gross income was more than the larger of —

  - - a. \$2,300 (\$3,550 if 65 or older and blind), or
    - b. Your earned income (up to \$5,950) plus \$1,600 (\$2,850 if 65 or older and blind).

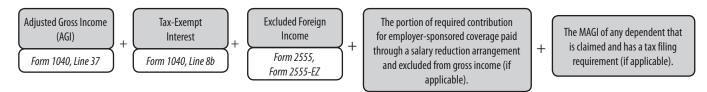
Note: For children under age 18 and certain older children, unearned income over \$2,100 is taxed at the parent's rate if the parent's rate is higher than the child's. For this purpose, "unearned income" includes all taxable income other than earned income, such as taxable interest, ordinary dividends, capital gains, rents, royalties, etc. It also includes taxable social security benefits, pension and annuity income, taxable scholarship and fellowship grants not reported on Form W-2, unemployment compensation, alimony, and income received as the beneficiary of a trust. If the child's unearned income is more than \$2,100, Form 8615 must be used to figure the child's tax. Form 8615 is out of scope.

# **Exemptions: Form 8965, Part III**

### Insurance is Unaffordable, Code A or G

Coverage is unaffordable if it costs more than 8.05% of household income. To calculate eligibility for this exemption, the preparer must determine **affordability threshold** and **plan cost**.

#### Line A: Affordability threshold =



Affordability Worksheet Household Income X 8.05% = (A) Affordability Threshold

### **Affordability Worksheet**

#### (A) Affordability Threshold

Enter 8.05% of your household income (see *Household income*). For this purpose, increase household income by the amount of any premium that is paid through a salary reduction arrangement and excluded from gross income.

#### **Line B Plan Cost:**

Does the person have an offer\* of coverage through an employer?\*\*

#### YES there is an offer of employer coverage

tes there is an other of	employer coverage	
For the employee	Does the <u>lowest-cost self-only plan</u> offered by the employer cost more than 8.05% of income? (This may be reported on Form 1095-C, if available directly from the employer.) If there was no offer of self-only coverage, go tothe next step.	If yes, enter Code A for each applicable month for the employee
For the employee's family	Does the <u>lowest-cost plan that covers everyone in the tax household</u> who is eligible for coverage and is not otherwise exempt cost more than 8.05% of income?	If yes, enter Code A for each applicable month for each member of the employee's tax household (excluding the employee)
If two or more members of the family have offers of employer coverage	Are all of the following true: (1) individual offers of self-only coverage are affordable (i.e., less than 8.05% of household income), BUT (2) their combined cost is greater than 8.05% of household income, AND (3) no family coverage is offered for less than 8.05% of household income?	If yes, enter Code G for the entire year for all members of the tax household.

#### NO there is not an offer of employer coverage

## Marketplace Coverage Affordability Worksheet

IMILIDowest cost bronze plan (LCBP)

TIP

NOTE: The look up tool asks about tobacco use. Tobacco use is the use of a tobacco product 4 or more times per week within no longer than the past 6 months by legal users of tobacco products (generally those 18 and older). Do not complete this worksheet unless you were instructed to do so in the Affordability Worksheet. Enter the monthly premium for the lowest cost bronze plan that covers everyone in your tax household for whom a personal exemption deduction is claimed, who is not eligible for employer coverage, and who does not qualify for another coverage exemption for the month. To find the lowest cost bronze plan go to the Marketplace for your area Enter your household income (see <u>Household income</u>) . . . . Enter the total of all nontaxable social security benefits received by you, your spouse, and each claimed dependent who Enter the federal poverty line for the number of individuals in your tax household less any dependents not claimed. See the Divide line 4 by line 5. If the result (without rounding) is less than 1.0 or more than 4.0, skip lines 7 through 10 and enter -0-Multiply line 6 by 100 and round to the nearest whole number. Enter the applicable figure for the result from the table in the Multiply line 4 by line 7 Divide line 8 by 12.0 . 10. Enter the monthly premium for the second lowest cost silver plan premium that covers everyone in your tax household for whom a personal exemption deduction is claimed, who is not eligible for minimum essential coverage (other than coverage in the individual market), and who does not qualify for another coverage exemption for the month. To find the second lowest cost silver plan go the Marketplace for your area . 11. Subtract line 9 from line 10. If zero or less, enter-0-. 12. Subtract line 11 from line 1. If zero or less, enter -0-. This is the individual's required contribution for the month 13. Is the individual eligible for this coverage for every month of the year? Yes. Multiply line 12 by 12.0. This is the annualized premium. Enter this amount in the space for every month on the No. Use the Annualized Premium Worksheet to determine what the annualized premium would be for each month the individual was eligible for the coverage being tested. Enter the annualized premium in the space for the appropriate months on the Affordability Worksheet \*If the individual filed Form 1040, figure the nontaxable social security benefits received by that individual by subtracting Form 1040, line 20b from Form 1040, line 20a. If the individual filed Form 1040A, figure the nontaxable social security benefits received by that individual by subtracting Form 1040A, line 14b from Form 1040A, line 14a. If the ind vidual filed Form 1040EZ, he or she should have received a Form SSA-1099 or Form RRB-1099 showing the social security benefits received by that individua, all of which were nontaxable. Second lowest cost silver plan (SLCSP):Ш□ 

# **Applicable Figure - used for Line 7 of Marketplace Affordability Worksheet**

TIP

If the amount on line 5 is less than 133, your applicable figure is 0.0201. If the amount on line 5 is between 300 through 400, your applicable figure is 0.0956.

IF Form 8962, line 5 is	ENTER on Form 8962, line 7	IF Form 8962, line 5 is	ENTER on Form 8962, line 7	IF Form 8962, line 5 is	ENTER on Form 8962, line 7	IF Form 8962, line 5 is	ENTER on Form 8962, line 7
less than 133	0.0201	175	0.0518	218	0.0697	261	0.0842
133	0.0302	176	0.0523	219	0.0701	262	0.0845
134	0.0308	177	0.0527	220	0.0704	263	0.0848
135	0.0314	178	0.0532	221	0.0708	264	0.0851
136	0.0320	179	0.0537	222	0.0711	265	0.0854
137	0.0326	180	0.0541	223	0.0715	266	0.0857
138	0.0331	181	0.0546	224	0.0718	267	0.0860
139	0.0337	182	0.0550	225	0.0722	268	0.0863
140	0.0343	183	0.0555	226	0.0726	269	0.0865
141	0.0349	184	0.0560	227	0.0729	270	0.0868
142	0.0355	185	0.0564	228	0.0733	271	0.0871
143	0.0361	186	0.0569	229	0.0736	272	0.0874
144	0.0367	187	0.0574	230	0.0740	273	0.0877
145	0.0373	188	0.0578	231	0.0743	274	0.0880
146	0.0378	189	0.0583	232	0.0747	275	0.0883
147	0.0384	190	0.0588	233	0.0750	276	0.0886
148	0.0390	191	0.0592	234	0.0754	277	0.0889
149	0.0396	192	0.0597	235	0.0757	278	0.0892
150	0.0402	193	0.0602	236	0.0761	279	0.0895
151	0.0407	194	0.0606	237	0.0764	280	0.0898
152	0.0411	195	0.0611	238	0.0768	281	0.0901
153	0.0416	196	0.0615	239	0.0771	282	0.0903
154	0.0421	197	0.0620	240	0.0775	283	0.0906
155	0.0425	198	0.0625	241	0.0778	284	0.0909
156	0.0430	199	0.0629	242	0.0782	285	0.0912
157	0.0434	200	0.0634	243	0.0785	286	0.0915
158	0.0439	201	0.0638	244	0.0789	287	0.0918
159	0.0444	202	0.0641	245	0.0792	288	0.0921
160	0.0448	203	0.0645	246	0.0796	289	0.0924
161	0.0453	204	0.0648	247	0.0799	290	0.0927
162	0.0458	205	0.0652	248	0.0803	291	0.0930
163	0.0462	206	0.0655	249	0.0806	292	0.0933
164	0.0467	207	0.0659	250	0.0810	293	0.0936
165	0.0472	208	0.0662	251	0.0813	294	0.0938
166	0.0476	209	0.0666	252	0.0816	295	0.0941
167	0.0481	210	0.0669	253	0.0819	296	0.0944
168	0.0486	211	0.0673	254	0.0822	297	0.0947
169	0.0490	212	0.0676	255	0.0825	298	0.0950
170	0.0495	213	0.0680	256	0.0828	299	0.0953
171	0.0499	214	0.0683	257	0.0830	300 thru 400	0.0956
172	0.0504	215	0.0687	258	0.0833		
173	0.0509	216	0.0690	259	0.0836		
174	0.0513	217	0.0694	260	0.0839	]	

### **Affordability Worksheet (continued)**

#### (B) Required Contribution Amount

For each member of your tax household, enter in the columns provided the annual premium for the first option below that applies to that person. If the monthly premium is the same for the whole year, enter the annual premium in the space for each month. If the premiums cover only part of the year, use the <u>Annualized Premium Worksheet</u> to determine what the annualized premium would be for each month. Once you have figured the annualized premium, enter it in the space for each month.

Options (use the first that applies to each member of your tax household, including you, for each month):

- The lowest cost self-only policy offered to each member of your tax household by his or her employer.
- The lowest cost family policy\* offered by your employer or your spouse's employer (if you are filing a joint return).
  - 3. The amount from the Marketplace Coverage Affordability Worksheet.

For each individual, coverage is unaffordable and the individual is exempt if (B), the Required Contribution Amount, is greater than (A), the Affordability Threshold

Affordability Infesh	MJ.						
Members of your tax household (enter one name per column):							
Premium for:		 					
January							
February							
March			Use annualized figures for each				
April			month in order to compare to the affordability threshold, which is calculated on an annual basis.				
May							
June							
July		1					
August							
September							
October							
November							
December							

<sup>\*</sup>The policy must cover everyone in your tax household:

- \* for whom a personal exemption deduction is claimed on your tax return,
- \* who is not eligible for employer coverage, and
- · who does not qualify for another coverage exemption.

# **Federal Poverty Lines**

#### 

2014 Poverty Lines for the 48 Contiguous States and the District of Columbia							
For families/households with n	For families/households with more than 8 persons, add \$4,060 for each additional person (100% Poverty Line)						
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line				
1	\$11,670	\$16,105	\$46,680				
2	\$15,730	\$21,707	\$62,920				
3	\$19,790	\$27,310	\$79,160				
4	\$23,850	\$32,913	\$95,400				
5	\$27,910	\$38,516	\$111,640				
6	\$31,970	\$44,119	\$127,880				
		\$	\$				
		\$	\$				

2014 Poverty Lines for Alaska						
For families/households with more than 8 persons, add \$5,080 for each additional person (100% Poverty Line)						
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line			
1	\$14,580	\$20,120	\$58,320			
2	\$19,660	\$27,131	\$78,640			
3	\$24,740	\$34,141	\$98,960			
4	\$29,820	\$41,152	\$119,280			
5	\$34,900	\$48,162	\$139,600			
6	\$39,980	\$55,172	\$159,920			
		\$62,183	\$180,240			
		\$69,193	\$200,560			

2014 Poverty Lines for Hawaii						
For families/households with more than 8 persons, add \$4,670 for each additional person (100% Poverty Line).						
Persons in family/household	100% Poverty Line	138% Poverty Line	400% Poverty Line			
1	\$13,420	\$18,520	\$53,680			
2	\$18,090	\$24,964	\$72,360			
3	\$22,760	\$31,409	\$91,040			
4	\$27,430	\$37,853	\$109,720			
5	\$32,100	\$44,298	\$128,400			
6	\$36,770	\$50,743	\$147,080			
		\$57,187	\$165,760			
		\$63,632	\$184,440			

# **Shared Responsibility Payment**

Income percentage Filing threshold (for primary Household Income Χ **Excess Income Amount** (2% for 2015) taxpayer or joint filers) Number of months Sum of applicable dollar amounts for all nonexempt Flat dollar amount (cannot exceed \$975, which is individuals without MEC in a given month (\$325 per nonexempt individuals Χ 300% of applicable dollar amount for 2015) adult and \$162.50 per child for 2015) do not have MEC 1/12 of Excess income amount OR Flat dollar amount Monthly penalty amount (whichever is greater) Sum of monthly penalty amounts OR Sum of monthly national Annual SRP average bronze plan premiums (whichever is lesser) 

### **Premium Tax Credit: Overview**

#### See Form 8962 Instructions

#### **Premium Tax Credit: Where do I start?**



Indicate on the TaxWise ACA Worksheet if any taxpayer or dependent had coverage through the Marketplace.

Then go to Form 8962.

# STEP 2

Did the taxpayer receive one or more Forms 1095-A?

If YES, see the instructions for Form 8962 to determine the amounts from Form 1095-A to enter on Form 8962.

If NO, the taxpayer must call the Marketplace or obtain the information from their online account.

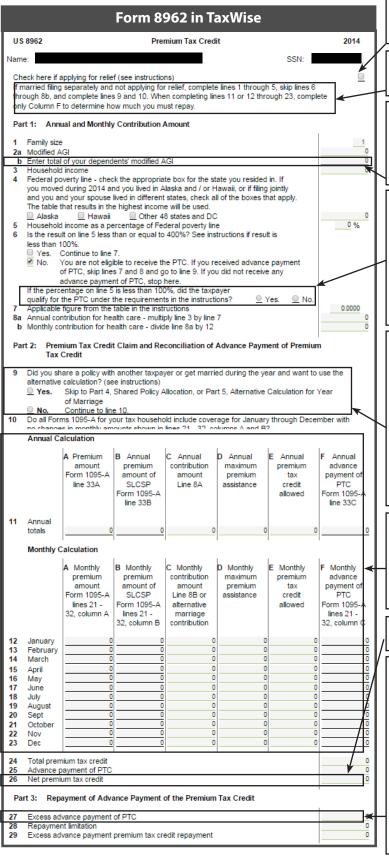
Marketplace call center: 1-800-318-2596 (TTY: 1-855-889-4325) For states not using Healthcare. gov, look up state Marketplace at healthcare.gov

**Caution:** Differences between the individuals covered on Form 1095-A and those being claimed on the return may require a shared policy allocation which is out of scope for the VITA/TCE programs. See page ACA-17 to determine if this situation applies.

			orm	າ 10	95-A					
Form 1095-A Department of the Treasury Internal Revenue Service	►Info	Health Insurance Marketplace Statement  Information about Form 1095-A and its separate instructions CORRECTED is at www.frs.gov/iform/0050s.								
Part I Recipient In	nformation									
1 Marketplace identifier		2 Marketp	lace-assigned po	licy number	3 Policy issuer's name					
4 Recipient's name					5 Recipient's SSN 6 Recipie		ent's date of birth			
7 Recipient's spouse's name	,				8 Recipient's spous	e's SSN	9 Recipie	ent's spouse's date of birth		
10 Policy start date		11 Policy te	licy termination date		12 Street address (in	12 Street address (including apartment no.)				
13 City or town		14 State or			15 Country and ZIP of	15 Country and ZIP or foreign postal code				
Part II Coverage I	lousehold									
A. Covered	Individual Name		B. Covered Indi	vidual SSN	C. Covered Individual Date of Birth	D. Covered I Start D	ndividual ate	E. Covered Individual Termination Date		
16						/				
17										
18				_	-/					
19				-	-/-					
20							$/\!\!/$			
Part III Household				$\angle$		_/				
Month	A. Mo	onthly Prem	ium Amount	E. Monthly I Lowest 0	Premium Amount of S Cost Silver Plan (SL	econd C. iP)	Monthly A Premiu	dvance Payment of m Tax Credit		
21 January										
22 February										
23 March										
24 April										
25 May						_				
26 June						_				
27 July										
28 August										
29 September										
30 October										
31 November								4		
								_		
32 December										

Tips

## **Premium Tax Credit: Form 8962**



Line 2b: III Committee of the committee

Line 27: (101-101) (10-101) (1

Repayment Limitation on APTC							
Income	SINGLE Taxpayers	OTHER Taxpayers					
(as % of FPL)	Repayment Limitation:	Repayment Limitation:					
Under 200%	\$300	\$600					
At least 200% but less than 300%	\$750	\$1,500					
At least 300% but less than 400%	\$1,250	\$2,500					
400% and above	Full repayment	Full repayment					

# **Shared Policy Allocation**

#### Table 3. Shared Policy Allocation—Line 9

Follow Steps 1–3 below to determine which allocation rule to use in <u>Part IV—Shared Policy Allocation</u>, later, to allocate the policy amounts for each qualified health plan identified in the instructions to line 9. For each such policy, if your answer directs you to Part IV, skip directly to the section of the Part IV instructions identified — you do not need to complete the remaining steps below.

#### STEP 1

#### lf

- . You divorced or legally separated from a spouse in 2015; and
- The policy covered at least one individual in your tax family AND at least one individual in your former spouse's tax family...

Then allocate using the rules in <u>Allocation Situation 1. Taxpayers divorced or legally separated in 2015</u> in <u>Part IV—Shared Policy Allocation</u>. Otherwise, continue to Step 2.

#### STEP 2

#### lf

- · You were married at the end of 2015 but are filing a separate return from your spouse; and
- The policy covered at least one individual in your tax family AND at least one individual in your spouse's tax family\*...

Then allocate using the rules in <u>Allocation Situation 2. Taxpayers married at year end but filing separate returns</u> in <u>Part IV—Shared Policy Allocation</u>. Otherwise, continue to Step 3.

\*Also follow these instructions if you meet the rules in Exception 1—Certain married persons living apartor Exception 2—Victim of domestic abuse or spousal abandonmentunded Married taxpayers, earlier, and a policy covered at least one individual in your tax family AND at least one individual in your spouse's tax family.

#### STEP 3

#### lf

. No APTC was paid for the policy...

Then allocate using the rules in Allocation Situation 3. No APTC in Part IV—Shared Policy Allocation.

Otherwise, allocate using the rules in Allocation Situation 4. Other situations where a policy is shared between two lax families in Part IV—Shared Policy Allocation.

# **Alternative Calculation for Year of Marriage Eligibility**

### Table 4. Alternative Calculation for Year of Marriage Eligibility

Ansı	wer questions 1–5 below to determine whether you may be eligible to elect the alternative calculation for year of marriage.
1	Were you and your spouse each unmarried on January 1, 2015?  Yes. Continue to the next question in this table.  No. You are not eligible to elect the alternative calculation. Check the "No" box on Form 8962, line 9, and continue to line 10.
2	Were you married on December 31, 2015?  Yes. Continue to the next question in this table.  No. You are not eligible to elect the alternative calculation. Check the "No" box on Form 8962, line 9, and continue to line 10.
3	Are you filing a joint return with your spouse for 2015?  Yes. Continue to the next question in this table.  No. You are not eligible to elect the alternative calculation. Check the "No" box on Form 8962, line 9, and continue to line 10.
4	Was anyone in your tax family enrolled in a qualified health plan before your first full month of marriage? (For example, if you got married on July 15, your first full month of marriage was August.)  Yes. Continue to the next question in this table.  No. You are not eligible to elect the alternative calculation. Check the "No" box on Form 8962, line 9, and continue to line 10.
5	Was APTC paid for anyone in your tax family during 2015?  Yes. Continue to Worksheet 3 next to determine whether excess APTC was paid during 2015. If excess APTC was paid, you are eligible to elect the alternative calculation. If the amount you entered on Form 8962, line 5, is 401, do not complete Worksheet 3. See Alternative Calculation for Year of Marriage in Pub. 974 to determine if electing the alternative calculation reduces your repayment amount.  No. You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the "No" box on line 9 and continue to line 10. If you complete Part IV, check the "No" box on line 10, skip line 11, and continue to Lines 12 through 23—Monthly Calculation, later.

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