



D.C. Implements Individual Taxpayer Health Insurance Responsibility Requirement

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For tax years ending on or after December 31, 2019, all residents in the District of Columbia (D.C.) must maintain minimal essential health care coverage, qualify for a coverage exemption, or pay a tax penalty. In October 2018, D.C. passed the Individual Taxpayer Health Insurance Responsibility Requirement Amendment Act of 2018 (D.C. Law 22-168), which imposes an individual mandate modeled after the federal individual shared responsibility requirement that was in effect under the Affordable Care Act prior to 2019.

Employers with at least 50 employees, including at least one employee who was a D.C. resident during the applicable calendar year, and other applicable entities including governmental agencies, insurance companies and third-party service providers that provide minimum essential health coverage to D.C. residents are required to comply with filing requirements established by the D.C. Office of Tax Revenue (OTR). Employees are considered D.C. residents for reporting purposes if the employer paid payroll taxes to the District on behalf of the employee for any period during the applicable calendar year.

Plan sponsors and other applicable entities are required to file information with OTR regarding health coverage and issue an annual statement of health coverage to covered individuals. Compliance with the federal IRS requirement to furnish an annual statement of health coverage to employees or covered individuals (i.e., Forms 1095-B and 1095-C) will also satisfy D.C.'s OTR annual statement requirement. For the 2019 tax year, filings are due by June 30, 2020. For tax years beginning after December 31, 2019, the deadline is 30 days after the IRS deadline for submitting 1095-B or 1095-C forms, including any extensions granted by the IRS.

To satisfy the OTR filing requirement, applicable entities should file the same information returns as they file with the IRS including:

- Form 1094-B, Transmittal of Health Coverage Information Returns
- Form 1095-B, Health Coverage
- Form 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns
- Form 1095-C, Employer-Provided Health Insurance Offer and Coverage

All information returns must be filed electronically with OTR by uploading files through MyTax.DC.gov using OTR's prescribed layouts and file formats. All files must be a delimited file with an extension of .txt (.zip files are acceptable). Filing paper information returns is not permitted. An employer may contract with a third-party service provider to file the information returns on its behalf.

Unlike the IRS's ACA Information Returns System (AIR), the MyTax.DC.gov platform does not provide a filing confirmation that acknowledges a successful filing. Instead, OTR will notify filers if filing errors exist. Filers wishing to submit an amendment or correction to a previously filed return may upload one corrected filing per business day until December 31 of the filing year. OTR will not accept corrected filings after the end of the filing year.

■ Employer Action

Employers with D.C. employees should register with MyTax.DC.gov and complete the sign-up process before the deadline for filing the required information returns. For tax year ending December 31, 2019, the deadline is June 30, 2020. If you have questions about how to register with OTR or how to file returns, please contact OTR's Customer Service Center at e-services.otr@dc.gov or (202) 759-1946. Employers that have questions about whether they are required to file returns may contact the Office of General Counsel at (202) 442-6500.

For more information, see the D.C. OTR website at: <https://otr.cfo.dc.gov/>.

