



New Guidance Provides Additional Details on Form 1095-C Reporting Relief

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On February 21, 2025, the Internal Revenue Service (“IRS”) released Notice 2025-15 (the “Guidance”) providing guidance on an alternative method for furnishing Form 1095-C (and Form 1095-B) to individuals under the Affordable Care Act (“ACA”). The Guidance includes information on how to provide notice that the employer will use this new method for furnishing the applicable form to employees and covered individuals.

■ Background

Prior to the Paperwork Burden Reduction Act (the “Act”), large employers were required to provide all full-time employees with a Form 1095-C and most employers with a self-funded (or level-funded) plan were required to provide a Form 1095-C or Form 1095-B (the “Forms”) to any primary insured. These Forms could be provided to individuals via mail or electronically with appropriate notice and consent.

In December of 2024, the Act was signed into law; it permits employers to provide these Forms only upon request if certain requirements are met, including providing advanced notice to covered individuals.

It is important to note that the Act **does not** alter an employer’s obligation to provide reporting to the IRS. All 2024 Forms must be timely furnished to the IRS by March 31, 2025.

■ Notice 2025-15

The Guidance describes how an employer may notify full-time employees (and other covered individuals) that it will take advantage of the relief and only furnish the Forms upon request.

- **Content.** The notice to full-time employees and covered individuals should:
 - be written in clear language with font size large enough (or provide other visual cues) to call to the reader’s attention that the notice contains important tax information; and
 - contain a statement that individuals have a right to receive a copy of the Forms upon request as well as contact information (e-mail, mailing address, and phone number) and instructions on how to request a copy of the Forms.

- **Timing.** Per the Guidance, notice must be posted by the due date for providing the Forms, including the automatic 30-day extension. This means, for 2024 statements, this notice must be posted by **March 3, 2025**. The notice must also be accessible through October 15 of the following year. In addition, if a Form is requested by a participant, it must be provided by the later of 30 days following the request or January 31 of the following year.
- **Posting the Notice.** The notice may be posted in a location on the employer's website that is reasonably accessible to all individuals. For example, a reporting entity's website provides a clear and conspicuous notice if it includes a statement on the main page – or a link on the main page, reading "Tax Information," to a secondary page that includes a statement in capital letters "IMPORTANT HEALTH COVERAGE TAX DOCUMENTS."

Unfortunately, the Guidance did not include a sample notice. Rather it referred to a notice description found in previously issued regulations.

Employer Action

Employers subject to reporting obligations under the ACA should review their current delivery policies and procedures to determine whether to take advantage of the relief provided by the Act and detailed in the Guidance. Since the IRS had not issued a sample notice, cautious employers may want to furnish the Forms 1095-C (or 1095-B) as they have in past years until the IRS issues further guidance.

Employers who wish to take advantage of this relief should work with any reporting vendors they use for reporting in order to comply with any pre-existing contractual arrangements.

Employers that utilize this new furnishment method must post the notice by **March 3, 2025**.

Employers that are not taking advantage of this alternative method should prepare to furnish Forms 1095-C (or 1095-B) for calendar year 2024 by **March 3, 2025**.

It should be noted that employers that are required to furnish Forms 1095-C (or 1095-B) pursuant to a state individual coverage mandate may still need to furnish these Forms as they have in prior years to covered employees who reside in states with an individual mandate (e.g., California, Washington D.C., New Jersey, and Rhode Island).

Further all 2024 Forms 1095-C must be filed with the IRS electronically along with a Form 1094-C by **March 31, 2025**.