



2024 ACA FORM 1095-C

Line 14, 16 Code CheatSheet

600120

Form **1095-C**
Department of the Treasury
Internal Revenue Service

Employer-Provided Health Insurance Offer and Coverage
Do not attach to your tax return. Keep for your records.
Go to www.irs.gov/Form1095C for instructions and the latest information.

VOID
 CORRECTED

OMB No. 1545-2251
2023

Part I Employee		Applicable Large Employer Member (Employer)											
1 Name of employee (first name, middle initial, last name)		2 Social security number (SSN)			7 Name of employer				8 Employer identification number (EIN)				
3 Street address (including apartment no.)					9 Street address (including room or suite no.)				10 Contact telephone number				
4 City or town		5 State or province		6 Country and ZIP or foreign postal code		11 City or town		12 State or province		13 Country and ZIP or foreign postal code			

Part II Employee Offer of Coverage	Employee's Age on January 1												Plan Start Month (enter 2-digit number):			
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec			
14 Offer of Coverage (enter required code)																
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)																
17 ZIP Code																

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60705M Form 1095-C (2023)

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1. ACA Reporting Requirements - An Overview

When the Affordable Care Act was passed, the IRS updated their Internal Revenue Code to include Sections 6055 and 6056. These IRC sections outline the protocol for reporting ACA compliance and offers of coverage to the IRS.

2024 ACA Form 1095 Filing Deadline

The [IRS Form 1095 recipient copy deadline](#) is **March 04, 2024**. The 1095-B / 1095-C Forms need to be e-filed with the IRS on or before **April 01, 2024**. If you choose to file ACA Forms by paper, you must file before **February 28, 2024**.

Information Required for 2024 ACA Reporting

To complete the ACA Forms under Sections 6055 and 6056, you'll need the following information:

- ◆ The covered individual or employee's details (name, address, and SSN/TIN)
- ◆ The plan provider's details (name, address, EIN, and contact info)
- ◆ For self-insured group health plans, the details of the plan sponsors (name, address, EIN, and contact info)
- ◆ The [offer of coverage code](#) for each recipient/employee, broken down by month
- ◆ The recipient/employee premium share of coverage, by month
- ◆ Any [safe harbor relief](#) codes that are applicable
- ◆ The covered individual's spouse and dependent(s) information, if applicable (name, SSN or DOB, and months covered)
- ◆ For 2024, requires [ICHRA Coverage Information](#) if offered



2. Understanding ACA Form 1095-C Line 14 and 16 Codes

One of the essential aspects of Form 1095-C is understanding how to communicate information regarding employees' coverage. To do this, Employers will need to use Code Series 1 and Code Series 2 in lines 14 and 16 of Form 1095-C. The IRS will then review the codes used and determine whether you are compliant with your employer mandate ACA requirements.

ACA FORM 1095-C CODE SERIES

The IRS has designed two sets of ACA codes to provide employers with a way to describe health coverage offers on Form 1095-C. Each code indicates a different scenario regarding an [offer of coverage, Section 4980H Safe Harbor Codes](#) and other relief for ALE Members.

The following topics will be more specific about the [codes to be reported on line 14 & 16 of Form 1095-C](#).

Code Series 1 (Line 14 of Form 1095-C)	Code Series 2 (Line 16 of Form 1095-C)
<ul style="list-style-type: none"> ◆ Whether Employees Were Offered ◆ Coverage Type of Coverage Offered ◆ Months Coverage Offered 	<ul style="list-style-type: none"> ◆ Full-Time or Part-Time Employment ◆ Coverage Enrollment ◆ Transition Relief Eligibility ◆ IRS Safe Harbor: Whether Coverage was Affordable

Let ACAwise handle your ACA Reporting

Send us your information using our template or your own template.

- ◆ ACAwise will [generate the Line 14 & 16 1095-C Codes](#) accurately
- ◆ ACAwise will generate 1094/1095 Forms and e-file it with the IRS and States.
- ◆ ACAwise will mail the copies to your employees.

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3. ACA FORM 1095-C Line 14 Codes, Offer of Coverage

[Line 14 of Form 1095-C](#) is used to report information about the coverage offered throughout the year. The offer of coverage made to an employee for each month of the year includes health insurance coverage offered or not and the type of coverage. The IRS has designed sets of codes 1A to 1U which describes the offer of coverage.

14 Offer of Coverage (enter required code)	Employee Offer of Coverage				Employee's Age on January 1				Plan Start Month (enter 2-digit number):				
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec

The table below further explains the code series 1 to be reported on line 14 of Form 1095-C.

CODES	DESCRIPTION
1A	It reflects the qualifying offer to full-time employees. The Minimum Essential Coverage (MEC) providing Minimum Value (MV) offered to full-time employees with employee's contribution was equal to or less than 9.5% mainland single federal poverty line. Also, it reflects the contribution of at least the Minimum Essential Coverage offered to spouse and dependent(s).
1B	It reflects the Minimum Essential Coverage providing minimum value offered only to employees. But the coverage was not included for spouse or dependent(s).
1C	It indicates Minimum Essential Coverage providing minimum value offered to the employees. It also reflects the offer of at least the Minimum Essential Coverage to dependent(s), but not the spouse.
1D	It indicates Minimum Essential Coverage providing minimum value offered to the employees. It also represents offering at least Minimum Essential Coverage to Spouse but not the dependent(s). Use code 1J if the coverage for the spouse was offered conditionally.
1E	Use Code 1E, if minimum essential coverage provides minimum value offered to employees and at least Minimum Essential Coverage offered to dependent(s) and spouse. Use code 1K if the coverage for the spouse was offered conditionally.



CODES	DESCRIPTION
1F	Use “Code 1F” if Minimum Essential Coverage NOT providing minimum value offered to employees, employee and spouse or dependent(s), or employee, spouse, and dependents.
1G	Use code “1G”, if you offer the coverage for at least one month to an individual who was not an employee for any month of the calendar year and the employees who enrolled for one or more months of the year in self-insured coverage.
1H	No health coverage or not offered Minimum Essential Coverage to the employees, which may incorporate one or more months in which the individual was not an employee.
1I	Reserved.
1J	Use Code “1J” if Minimum Essential Coverage provides minimum value offered to employees and at least Minimum Essential Coverage conditionally offered to a spouse, but not offered to dependent(s).
1K	Use Code “1K” Minimum Essential Coverage providing minimum value offered to employees; at least Minimum Essential Coverage offered to dependent(s), and conditionally offered to spouse.
1L	Individual Coverage Health Reimbursement Arrangement (HRA) offered to the employee-only with affordability was determined using the employee’s primary residence location ZIP Code.
1M	Individual coverage HRA offered to the employee and dependent(s) (not spouse) with affordability was determined using the employee’s primary residence location ZIP Code.



CODES	DESCRIPTION
1N	Individual coverage HRA offered to the employee, spouse, and dependent(s) with affordability was determined using the employee's primary residence location ZIP Code.
1O	Individual coverage HRA offered to the employee-only using the employee's primary work location ZIP Code affordability safe harbor.
1P	Individual coverage HRA offered to the employee and dependent(s) (not spouse) using the employee's primary work location ZIP Code affordability safe harbor.
1Q	Individual coverage HRA offered to the employee, spouse, and dependent(s) using the employee's primary work location ZIP Code affordability safe harbor.
1R	Individual coverage HRA that is NOT affordable offered to the employee; employee and spouse or dependent(s); or employee, spouse, and dependents.
1S	Individual coverage HRA offered to an employee who was not a full-time worker.
1T	The Individual coverage HRA offered to the employee and spouse (no dependents) and affordability was determined using the employee's primary residence location ZIP code.
1U	The Individual coverage HRA offered to the employee and spouse (no dependents) and affordability was determined using the employee's primary residence location ZIP code.



4. Updates on ACA Forms for Tax Year 2023

In the month of October 2023, the IRS released a [final version of ACA Form 1095-C](#) and it is expected that there are no changes in [ACA reporting for the 2023 tax year](#).

ICHRA Affordability:

- ◆ Based on the federal poverty line percentage, the IRS has set the ICHRA affordability percentage for the 2023 tax year as **9.12%**.

Penalties:

- ◆ Under Section 4980H(a) - the penalty rate is **\$2,880** for the tax year 2023.
- ◆ Under Section 4980H(b) - the penalty rate is **\$4,320** for the tax year 2023.

Let ACAwise handle your ACA Reporting

Send us your information using our template or your own template.

- ◆ ACAwise will [generate the Line 14 & 16 1095-C Codes accurately](#).
- ◆ ACAwise will generate 1094/1095 Forms and e-file it with the IRS and States.
- ◆ ACAwise will mail the copies to your employees.

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5. ACA Form 1095-C Line 16 Codes, Section 4980H Safe Harbor and Other Relief

[Line 16 of Form 1095-C](#) is used to report information about the coverage that an employee enrolled in, and how the ALEs meet the employer shared responsibility “Safe Harbor” provisions under Section 4980H.

Employers meeting the following conditions must complete line 16 through the Code Series 2.

- ◆ The employee was not a full-time employee or not employed
- ◆ The Minimum Essential Coverage offered for the employee
- ◆ Under section 4980H(b), the employee was in a Limited Non-Assessment Period
- ◆ The ALE Member met one of the section 4980H affordability safe harbors with respect to the employee
- ◆ An Applicable large employer was eligible for multiemployer interim rule relief for this employee

The table below explains the code series 2 to be reported on line 16 of Form 1095-C.

Part II	Employee Offer of Coverage				Employee's Age on January 1				Plan Start Month (enter 2-digit number):				
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													

CODES	DESCRIPTION
2A	Use Code 2A, if the employee was not employed on any day of the calendar month. Do not use code 2A for a month if an employee of the ALE worked for any day of the calendar month and an employee terminates employment with the ALE Member.
2B	Use code 2B if the employee is not a full-time employee and did not enroll in Minimum Essential Coverage, if offered for the month. Also If the employee terminated their employment before the end of the month but did enroll in coverage use code 2B.



CODES	DESCRIPTION
2C	<p>Use code 2C if an ALE Member offered health coverage to the employees for each day of the month. Do not use this code for the following scenarios:</p> <ul style="list-style-type: none"> ◆ For any month in which the multiemployer interim rule relief applies, instead use Code 2E ◆ If code 1G is entered in line 14 ◆ If a terminated employee is enrolled in COBRA continuation coverage or other post-employment coverage, instead use code 2A ◆ An employee enrolled in coverage that was not Minimum Essential Coverage
2D	Use code 2D, if an employee is in a section 4980H(b) Limited Non-Assessment Period for any month.
2E	In which the multiemployer arrangement interim guidance applies for that employee for any month, despite whether any other code in Code Series 2 might also apply.
2F	Use Code 2F if an ALE member applies the section 4980H Form W-2 safe harbor to determine affordability for purposes of section 4980H(b) for this employee for the year.
2G	Use code 2G if the ALE Member uses section 4980H federal poverty line safe harbor to find affordability for purposes of section 4980H(b) for any month.
2H	Use code 2H if the ALE Member used the section 4980H rate of pay safe harbor to determine affordability for purposes of section 4980H(b) for any month.
2I	Reserved.

[ACAwise](#), the cloud based software that provides a customized [ACA reporting solution](#) for all types of businesses across every industry. We handle various scenarios such as rehires, cobra coverage, dependent age, etc.



6. Choose ACAwise for Accurate 1095 Code Generation & ACA Filing

Provide us with your payroll, health benefits and employee census data. Let us generate the [required line 14, line 16 codes of Form 1095-C](#) for you and send it for your review.

Upon approval, We will [e-file the 1094-C and 1095-C Forms](#) with the IRS through the AIR System. And also ACAwise will e-file your ACA forms with the required states. We will mail copies to your employees.

Contact ACAwise now on (704)-954-8420 or email your requirements to support@acawise.com or simply complete the quote request form by clicking the below button.

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