



## What every HR leader should know about compliance, *at a glance*



# IRS Issues Draft Form 1095-C

The Internal Revenue Service (IRS) recently issued the [2021 Draft Form 1095-C](#), which is required to be filed with the IRS by applicable large employers (ALEs), to report the offer of health coverage to employees.

### New Codes

An ALE that offers an individual coverage health reimbursement arrangement (ICHRA) can now use two previously-reserved codes in order to report offers of coverage:

- **1T.** Individual coverage HRA offered to employee and spouse (no dependents) with affordability determined using employee's primary residence location ZIP code.
- **1U.** Individual coverage HRA offered to employee and spouse (no dependents) using employee's primary employment site ZIP code affordability safe harbor.

### Additional Copies of Page 3 Permissible

The 2021 instructions also clarify that self-funded plans that are required to complete Part III of Form 1095-C, and that have more than 13 covered individuals on a single Form 1095-C, may use additional copies of page 3 for reporting purposes.

### Request for Comments

The IRS has invited comments on the draft Form 1095-C and instructions, which may be submitted at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments), and has cautioned that they cannot respond to all comments due to the high volume likely to be submitted. Early release drafts are available at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Information about all forms, instructions, and publications are located on [IRS.gov/Forms](https://www.irs.gov/Forms).

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