

**Creative Benefits, Inc.**  
strategies to insure your success

# Internal Revenue Code Sections 6055 & 6056 Reporting Requirements

ADDRESSING THE NEEDS OF EMPLOYERS AND  
CREATING STRATEGIES TO MAINTAIN COMPLIANCE  
WITH THE AFFORDABLE CARE ACT;

## THE EMPLOYER MANDATE

On Tuesday, June 2nd, Creative Benefits Inc. (CBI) hosted a reporting workshop for clients and colleagues to review the new requirements under Sections 6055 & 6056 of the Internal Revenue Code. ***“It is imperative that Employers understand and begin to prepare for the Employer Shared Responsibility Provision,”*** says Ann Duke, General Counsel at CBI. Plans should be set in motion no later than September of this calendar year, to ensure deadlines are met and penalties are avoided. The complexity of the reporting is putting an undue burden on business owners and human resource professionals. ***“Our account teams are prepared to work step by step with our clients to clarify which parts of the legislation affects them and how to complete & file the required reports,”*** adds Macee Keelan, Executive Vice President of CBI. Consider this approach...



**Ruth Graham, President**  
Creative Benefits Inc.



**Macee Keelan, VP.**  
Creative Benefits Inc.

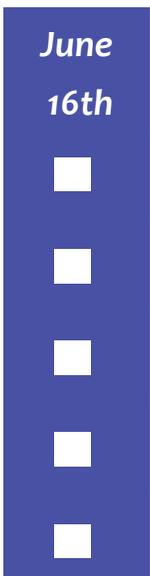


**Ann Duke, Esq.**  
Creative Benefits Inc.



**Marlene Loose, PPACA**  
Creative Benefits Inc.

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Growing Team](#)



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**9 AM - 11 AM: Aronimink Golf Club**

Develop procedures for determining and documenting each employee's full-time or part-time status by month.

Develop procedures to collect information about offers of health coverage and health plan enrollment by month.

Review ownership structures of related companies and perform a controlled/affiliated service group analysis.

Discuss the reporting requirements with your CBI account team and your payroll vendor to determine process for data collection and form preparation.

Ensure that systems are in place to collect the needed data for the reports.

## ARE YOU CONSIDERED AN APPLICABLE LARGE EMPLOYER (ALE)?

Under the ACA, even determining a company's classification size can be a complicated process. At first, it appears a cut-and-dry divide: Companies with 49 or fewer employees are

considered to be "small employers," while those with 50 or more are considered "applicable large employers," or ALEs. But the math used to arrive at how many employees a



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The discussion focused on answering common questions including...

- ✓ What size is your company under to the Affordable Care Act ? Which parts of the Internal Revenue Code Sections 6055 & 6056 affect you ?
- ✓ Is your offer of coverage 'Affordable' ? Does it meet 'Minimum Value' requirements ?
- ✓ New tax forms: 1094-B, 1094-C, 1095-B, 1095-C - Which forms are you required to file with the IRS? Which forms are you required to provide to your employees ?
- ✓ How to classify your **Offer of Coverage & Safe Harbor Codes** on the Employer Transmittal and Employee Statements.
- ✓ Mandatory filing deadlines for calendar year 2015 ! Penalties for non-compliance.
- ✓ Identifying the information needed and how to complete the required forms.



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### Are you an ALE ? *continued*

company actually has can become complicated due to full-time equivalent (FTE) considerations. Most HR professionals know that full-time employees are now defined by the ACA as any individuals who work 30 or more hours a week. While your company can still choose how to define full-

time employees for other benefits, such as for providing a 401k, employers must use the 30-hour designation for health insurance purposes.

It's also important to note that while the IRS has previously defined full-time employees as those who work

130 hours a month or more, 120 hours is the figure that must be used for determining your ACA classification size. For that reason, the aggregate monthly hours of part-time workers must be divided by 120 to determine how many FTE employees a company has. To read more, visit our blog: [\[fitsinc.com/health-care-reform/what-classification-size-is-my-company?\]\(http://fitsinc.com/health-care-reform/what-classification-size-is-my-company?\)](http://creativebene-</a></p></div>
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