

What is the Difference Between Forms 1094-C and 1095-C?

Updated for Tax Year 2014

OVERVIEW

IRS Forms 1094-C and 1095-C are filed by employers that are required to offer health insurance coverage to their employees under the Affordable Care Act, also known as Obamacare. The main difference between them is that the 1095-C provides information about health insurance and is sent to both employees and the IRS, while the 1094-C acts as a cover sheet about the 1095-C and is sent only to the IRS.

The role of the 1095-C

The Affordable Care Act requires employers with at least 50 full-time workers to offer their employees health insurance. And each year, those employers must send a statement -- **Form 1095-C** -- to all employees eligible for coverage.



The statement provides details about:

- the coverage offered to the employee

- the lowest-cost premium available to the employee
- and the months of the year when the coverage was available

All employees eligible for coverage should get a 1095-C, regardless of whether they actually participate in the employer's health plan. The forms became mandatory with the 2015 tax year.

Where the 1094-C fits in

Employers don't send **1095-C** forms just to their workers. They also have to send them to the IRS. When they do, they also file **Form 1094-C**. This form is essentially a "cover sheet" for the 1095-C forms. It provides information about:

- the employer -- including address, phone number, employer identification number
- how many employees it has
- the name of a contact person
- and how many 1095-C forms are being sent

Why the IRS needs the 1095-C

The IRS needs information from 1095-C forms because it has a central role in enforcing the Affordable Care Act (<https://turbotax.intuit.com/tax-tools/tax-tips/Health-Care/Affordable-Care-Act-Decoded/INF26150.html>). Companies that are required to offer insurance but don't, may have to pay a penalty. By collecting 1095-C forms, the IRS can track who is and isn't making coverage available to workers.

Meanwhile, the health care law also requires most people to have health insurance, and it provides financial assistance (<https://turbotax.intuit.com/tax-tools/tax-tips/Tax-Deductions-and-Credits/What-is-the-Premium-Tax-Credit-/INF26056.html>) to some people who do not have an opportunity to get coverage through an employer. Information from the 1095-C tells the IRS who has access to employer-sponsored health insurance and who doesn't.

Filing information for employers

According to the IRS, employers must send **employees** their 1095-C forms by the **end of January** each year. Information must be sent to the **IRS** by the **end of February** if paper filed, or by the end of March if the forms are filed electronically.

Employers with fewer than 250 forms to send to the IRS can file paper 1095-C forms, accompanied by a paper 1094-C. They can also file electronically. Employers with 250 or more forms must transmit the information electronically.

Visit [TurboTax.com/health/](https://turbotax.intuit.com/health-care/) (<https://turbotax.intuit.com/health-care/>) to learn more about the Affordable Care Act and how it may affect your taxes.

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