

## **Failing to file 2014 tax returns will prevent advance payments in 2016**

If you received advance payments of the Premium Tax Credit in 2014 under the health care law, you should file your 2014 tax return as soon as possible this summer — *even if you missed the April 15 deadline or received an extension to file until Oct. 15*. This will ensure you can timely receive advance payments next year from your Health Insurance Marketplace.

If you purchased health coverage for 2014 through the Marketplace and if you chose to have advance payments of the Premium Tax Credit sent directly to your insurer to lower your monthly insurance premiums, you are required to file a tax return to reconcile advance payments even if you are otherwise not required to file.

Also, if advance payments of the Premium Tax Credit were paid on behalf of you or an individual in your family in 2014, and you do not file a 2014 tax return, *you will not be eligible for advance payments of the Premium Tax Credit or cost-sharing reductions to help pay for your Marketplace health insurance coverage in 2016*. This means you will be responsible for the full cost of your monthly premiums and all covered services. In addition, the IRS may contact you to pay back some or all of the 2014 advance payments of the Premium Tax Credit.

Because Marketplaces will determine eligibility for advance tax credit payments and cost-sharing reductions for the 2016 coverage year this fall, it will substantially increase your chances of avoiding a gap in receiving this help if you file your 2014 tax return with Form 8962, Premium Tax Credit, electronically as soon as possible.

**To repeat, if you missed the April 15 deadline or received an extension to file until Oct. 15, you should file your return as soon as possible – preferably by August 15, 2015, to ensure timely processing. You should not wait to file.** File now to reconcile any advance credit payments you received in 2014 and to maintain your eligibility for future premium assistance.

The IRS is currently sending Letter 5591 to taxpayers, who received 2014 advance payments but have not yet filed their tax return, to remind them of the importance of filing their 2014 federal tax return along with Form 8962. The letter encourages taxpayers to file within 30 days of the date of the letter to substantially increase the chance of avoiding a gap in receiving assistance with paying Marketplace health insurance coverage in 2016.

You must complete Form 8962 to reconcile your advance credit payments with the Premium Tax Credit you are eligible to claim on your return. You should have received Form 1095-A, Health Insurance Marketplace Statement, from your Marketplace. This form provides information you will need when completing Form 8962. If you have questions about the information on Form 1095-A for 2014, or about receiving Form 1095-A for 2014, you should contact your Marketplace directly.