

2014 Health Insurance Mandate

In 2014 almost *everyone* is required to have health insurance.

Everyone required to file a tax return must report their own and their family's (members of the household) health insurance information on their tax return.

There will be a penalty for individuals and family members who do not have health insurance or unless they qualify for an exemption. The penalty will be calculated on the tax return.

In all cases, the coverage information we report on your return will be about *each member* of your family (members in your household).

In some cases the information will be reported on a *month-by-month* basis individually for each household member.

In order for us to prepare your return, we will need to ask you questions about your individual and your family's coverage.

- Did you *and* your family have health insurance for all of 2014?
- Was your coverage provided by Medicare, Medicaid or your employer?

If the answer to BOTH of these two questions is YES, you can stop reading. The health insurance information part of your return will be simple to complete. We will need proof of the coverage such as a Form 1095-B or 1095-C or a statement you sign that states you have qualifying coverage.

If one of your answers is NO, we will need additional information and documentation in order to prepare your return.

- Did you and your family have coverage all year through an exchange such as Covered California?

If you answered YES, you should receive a Form 1095-A.

Reporting information for individuals and their family members who had part-year health insurance is required on a *month-by-month* basis. If this reflects your situation, please be prepared to provide information for each member for each month of 2014.

If you do not have health insurance you may qualify for an exemption.

Exemptions must be obtained in advance. Please visit

<http://marketplace.cms.gov> to learn more.

Due to the complexity of this new reporting requirement, your tax preparation fee may increase based on the amount of additional work required. As always, the better prepared you are, the easier the return will come together.