

Facts about the Premium Tax Credit

Your Credit, Your Choice – Get It Now or Get It Later

If you get your health insurance coverage through the Health Insurance Marketplace, you may be eligible for the [premium tax credit](#). This tax credit can help make purchasing coverage more affordable for people with moderate incomes.

The Department of Health and Human Services administers the requirements for the Marketplace and the health plans they offer. For more information about your coverage options, financial assistance and the Marketplace, visit HealthCare.gov.

Eligibility

You may be eligible to claim the premium tax credit on your tax return if you meet all of these requirements:

- you or at least one member of your family (you, spouse, or dependents) enrolls in health insurance through the Marketplace
- the enrolled family member is ineligible for coverage through an employer or government program
- you are within certain income limits
- you file a joint return if married, although certain victims of domestic abuse and spousal abandonment may be allowed a PTC using the married filing separately status
- you cannot be claimed as a dependent by another person

It's your choice

If you are eligible for the credit, you can choose to get it now or get it later.

Get It Now: Have some or all of the estimated credit paid in advance directly to your insurance company. By doing this, you will lower what you pay out-of-pocket for your monthly premiums during 2014. If advance payments are made for the coverage it is important for you to report significant life changes – such as a new baby, marriage or divorce, or changes in expected income – to the Marketplace. These changes in circumstances determine the proper amount of financial assistance you receive. Reporting changes in circumstances will allow the Marketplace to adjust your advance credit payments, so you avoid getting too much or too little in advance. If you make this adjustment, you are less likely to get a smaller refund than expected, or owe money unexpectedly on your federal tax return.

Get It Later: wait to get all of the credit when you file your 2014 tax return in 2015.

More detailed information about the credit is available on IRS.gov/aca and in the [Questions and Answers](#) section. Two electronic flyers - *Facts about the Premium Tax Credit - Publication 5120* and *Publication 5121* - are available for public use and distribution.

Helpful Links:

- [IRS.gov/aca](https://www.irs.gov/aca) (Search Premium Tax Credit)
- [Publication 5120](#), Facts about the Premium Tax Credit
- [Publication 5121](#), Facts about the Premium Tax Credit
- [Publication 5152](#), Report changes to the Marketplace as they happen

YouTube videos:

- You Tube Video: Commissioner Koskinen discusses [premium tax credit: change in circumstances](#)
- You Tube Video: Premium Tax Credit: Changes in Circumstances – Introduction([English](#))
- IRS YouTube video [- Premium Tax Credit - Overview](#)

Tweets:

- [#IRStaxtip](#): What you need to know about advance payments of the Premium Tax Credit. go.usa.gov/BtwB [@HealthCareGov](#) [#GetCovered](#) [#IRS](#)
- [#IRSTaxTip](#) explains the basics of the Premium Tax Credit. Are you eligible? [@HealthCareGov](#) [#GetCovered](#) [#IRS](#) go.usa.gov/Btfh