Affordable Care Act (ACA) Information Returns (AIR)

Working Group Meeting

August 25, 2015

Voluntary Year Commonly Asked Technical Questions

Agenda

This is the eighth AIR working group webinar; previous sessions have provided an overview of the ACA Information Returns program, electronic filing requirements (e.g. forms, schemas, and business rules), Publications 5164 and 5165, and the Employer Information Reporting Scenarios. This session will focus on reviewing topics that address voluntary year commonly asked technical questions.

Things To Know

ACA Transmitter Control Code (TCC)

Submission Narrative & Associated Test Scenarios

AIR Submission Composition and Reference Guide

Q&A

Reference Materials Review

Things To Know

Important things to know about electronically filing ACA Information Returns:

- Affordable Care Act Information Returns (Forms 1094-B, 1095-B, 1094-C and 1095-C) must be filed using "AIR" (Affordable Care Act Information Return System) – ACA Information Returns may not be filed using FIRE.

- Acceptable Format for Transmission is XML (Returns will not be accepted electronically in any other format).

- Each transmission is limited to 100MB, transmissions larger than 100MB must be split.

- The TCC application is now available online.

- Tax Year 2014 (voluntary year) returns:
  - Testing began July 29, 2015.
  - Filing will begin October 22, 2015.
  - Corrections are not required, but will be accepted.
  - No penalties imposed for voluntary year.

Things To Know - continued

- Tax Year 2015 (mandatory year) returns:
  - Testing will begin early November 2015.
  - Filing will begin January 2016.
  - Corrections will be required.
  - No penalties for incorrect or incomplete information where good faith efforts to comply were made.
  - Returns must be furnished to recipients by January 31, 2016.
  - Paper returns must be filed with the IRS by February 29, 2016.
  - Electronic returns must be filed with IRS by March 31, 2016.
  - Mandatory electronic filing for 250+ returns.
- Draft ACA Information Return Forms/Instructions for Tax Year 2015 (mandatory year) have been posted to IRS.gov.
- Draft Publication 5223 contains rules on (paper) ACA substitute forms.
- Form 8809 – Applications for Extensions of Time to File Information Returns.
- Form 8508 – Requests for Waiver From Filing Information Forms Electronically.

ACA Transmission Control Code (TCC)

Overview

ACA Transmission Control Code (TCC)

- If you file 250 or more of any of the following ACA Information Returns, you are required to file them electronically through the AIR System:
  - Form 1094-B, *Transmittal of Health Coverage Information Returns*
  - Form 1095-B, *Health Coverage*
  - Form 1094-C, *Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns*
  - Form 1095-C, *Employer-Provided Health Insurance Offer and Coverage*
- To file electronically, you must submit the *ACA Application for Transmitter Control Code (TCC).*
  - *If you are using a 3rd party to prepare and transmit your information returns, you do not need a TCC.*

What Roles Should Be Included On My ACA TCC Application?

What roles do I need to select on my ACA Application for Transmitter Control Code?		
If…	**And…**	**Then**
I am a commercial Software Developer **creating** software and selling software packages to employers and insurance issuers/carriers,	I will transmit information for employers or insurance issuers/carriers,	Select both the Software Developer role and the Transmitter role on your application.
I am an employer or insurance issuer/carrier **purchasing** a software package,	I will transmit my own information returns	Select the role of Issuer on your application.
I am an employer or insurance issuer/carrier **purchasing** a software package,	I will transmit my own information returns **and** transmit for other employers or insurance issuer/carriers,	Select the role of Transmitter on your application. **Note:** The TCC for a Transmitter can be used to transmit your own returns and others. You may not use an Issuer TCC to transmit other's information returns.
I am an employer or insurance issuer/carrier **creating** my own software package, or who has contracted with someone to develop a unique package for my sole use,	I will perform the software testing with the IRS **and** transmit my own information returns,	Select the role of Software Developer and Issuer on your application.

How Do I Get Started with the TCC Application?

Determine who will perform the functions related to electronic filing in your firm or organization.

Identify who will be the:

- Responsible Official(s) - individuals with responsibility for the authority over the electronic filing of ACA Information Returns operation for the firm or organization at one location. The Responsible Official is also the first point of contact with the IRS, has authority to sign original/revised *ACA Application for TCC*, and is responsible for ensuring that all requirements are adhered to.

- Contact(s) - individuals who may be responsible for transmitting and/or are available for inquiries from the IRS on a daily basis. A minimum of two Contacts must be provided on the application and a maximum of 10 may be provided.

Responsible Officials

Business Structure	Acceptable Contact
Partnership and Limited Liability Partnership	Partner, General Partner, Limited Partner, LLC Member, Manager, Member, Managing Member, President, Owner, Tax Matter Partner (TMP)
Corporations, Personal Service Corporation and Limited Liability Corporations	President, Vice President, Corporate Treasurer/Treasurer, Assistant Treasurer, Chief Accounting Officer (CAO), Chief Executive Officer (CEO), Chief Financial Office (CFO), Tax Officer, Chief Operating Officer, Corporate Secretary/Secretary, Secretary Treasurer, Member
Association, Credit Union, Volunteer Organization, State Government Agency	President, Vice President, Treasurer, Assistant Treasurer, Chief Accounting Officer, Tax Officer, Chief Operating Officer, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Executive Director/Director, Chairman, Executive Administrator/Administrator, Receiver, Pastor, Assistant to Religious Leader, Reverend, Priest, Minister, Rabbi, Chairman, Secretary, Director of Taxation, Director of Personnel, Tax Officer
Sole Proprietor	Owner, Sole Proprietor, Member, Sole Member

How Do I Get Started with the TCC Application? (cont.)

1. Responsible Officials and Contacts **must first** register with e-services. At Registration you obtain a login specifically for your use. You will create a username and password that apply only to you. See the appendix for additional information on e-services Registration.

   o You must confirm your registration before you will be able to submit the ACA Application for TCC. A confirmation code will be sent to you via U.S. Postal Service within 10 – 14 business days. Log into e-services and enter your confirmation code to confirm your registration.

2. Responsible Official accesses the ACA Application for TCC available through e-services. (The application does not have to be completed in a single session, it can be saved and a tracking number will be assigned.)

What Information Do I Need to Complete the Application?

- Information about the Firm including the Employer Identification Number (EIN), legal business name, doing business as (DBA) name and business type (e.g. corporation, partnership, LLC, Government Agency, etc.).

- Information about the Responsible Official(s) and Contact(s)

- Information about the roles your firm will perform:

  o Software Developer - An organization that writes either origination or transmission software according to IRS specifications.

  o Transmitter - A third-party that directly sends the electronic return data to the IRS on behalf of any business.

  o Issuer - A business that is required to file ACA Information Returns and is transmitting only their information returns.

- Transmission Method – you will be asked to provide information about the transmission method you will use and/or the transmission method for your Software Package.

Transmitter Control Codes

TCCs are assigned based on the roles you selected on your application.

TCC Information:

Role	T/P Indicator	TCC	Status
Transmitter	P	BBQZ8	Active
Software Developer	T	BBQZB	Active

After the IRS validates the information submitted on the ACA Application for TCC, the TCCs will be assigned and visible online. Additionally, letters will be sent to the firm's address via U.S. Postal Service providing each TCC assigned. If more than one role is selected, you will receive more than one TCC.

Initially, all TCCs are set to "T" Test. After completing a successful communication test, Transmitter and Issuer TCCs will be set to P "Production". Software Developer TCCs are permanently in T "Test".

Software Developer Role

If you select the Software Developer Role additional information is required to assign a Software ID; the additional Software Developer information includes the type of Software Package, the forms supported by the software, and the transmission method.

Software IDs:

Year	SW Package	Status	Forms	Software ID	Status	Transmission Method
2014	Online	Test	1094/1095C	14A0000629	Test	AFA for ACA Internet Transmitter, A2A System Enroller
			1094/1095B	14A0000630	Test	A2A System Enroller, AFA for ACA Internet Transmitter
2014	COTS	Test	1094/1095B	14A0000633	Test	A2A System Enroller, AFA for ACA Internet Transmitter

As testing is completed, the ACA Application for TCC will show the current status for each Software Package. When testing is successful the statuses shown above will be set to "P" Production.

Submission Narrative

and

Associated Test Scenarios

Submission Narrative and Associated Test Scenarios

Role	Required Submissions
Software Developer for Forms 1094/1095-B	1, 2, and 6
Software Developer for Forms 1094/1095-C	3, 4, and 5
Employer using in-house software that offers self-insured coverage. Forms 1094/1095C	3, 4, and 5
Employer using in-house software that does not offer self-insured coverage. Forms 1094/1095C	3 and 4
Government Sponsor Medicaid or CHIP Forms 1094/1095B	6

AIR Submission

Composition and Reference Guide

Overview

AIR Submission Composition and Reference Guide Content (1/3)

*This publication provides guidance to external transmitters for composing and successfully transmitting compliant ACA Information Return (*Form 1094/1095-Bs or Form 1094/1095-Cs) *Submissions to IRS.*

- Section 1 provides an introduction to the document including scope, purpose, document organization, and references to related documents

- Section 2 provides an overview of the document including the interfaces provided by the IRS for submitting ACA Information Returns

- Section 3 describes how to compose an IRS ACA Information Return Transmission

- Section 4 provides an explanation of the ISS-UI channel for transmitting ACA Information Returns interactively via a Web Browser interface

  - The ISS-UI Channel allows transmitters to submit a transmission (Manifest and Form Data File), get the unique Receipt ID (generated by IRS) and retrieve the status of their transmission

AIR Submission Composition and Reference Guide Content (2/3)

- Section 5: provides an explanation of the ISS-A2A channel for transmitting ACA Information Returns via a Services Oriented Architecture (SOA) interface

  - The ISS-A2A Channel allows transmitters to submit a transmission (Manifest and Form Data File), get the unique Receipt ID (generated by IRS) and retrieve the status of their transmission including:

    - WS-Security – Provides mechanisms for user identification and assertions in SOAP messages
    - ACA Business Header Elements – Provides elements required for all SOAP messages
    - ACA Transmitter Manifest – Provides manifest elements
    - Form Data File – Contains ACA Information Returns transmitted as an MTOM attachment
    - Digital Signatures and Encryption of Transmissions

- Section 6 describes the process for submitting corrected Information Returns and replacement transmissions required when a transmission is rejected

- Section 7 provides a mapping of the data elements required for the transmission as well as the data elements required for the Information Returns Form Data File

AIR Submission Composition and Reference Guide Content (3/3)

- Section 8 gives examples for transmissions via the ISS-A2A channel including:
    - Sample Request and Response SOAP Messages for ACA Submit Service (ACAGetTransmitterBulkRequestService.wsdl)
    - Sample Request and Response SOAP Messages for ACA Status Check Ack Service (ACAGetTransmitterBulkRequestStatus.wsdl)
    - Sample Form Data File (1094/1095 B-C)
    - Sample Error Data File (1094/1095 B-C)

- Section 9 provides a brief description of IRS General Philosophy on Data Elements in XML Schemas

- Sections 10 and 11 describe the rules assigned to submitting the transmission and the business rules against which the Information Returns are checked

- Section 12 describes the SOAP Fault Response messages

- Appendix A includes the Error Code Library

Security

IRS has received several questions regarding security and securing the transmission:

- Client authentication with client certificates
- Will the transmissions require a digital certificate
- Will the information being sent over the system be encrypted
- Whom should we contact to obtain digital certificate for A2A SOAP transmission

Section 5.2.2 of the Composition and Reference Guide has been updated to add details related to WS-Security.

- Details pertaining to use of X.509 Certificates for authentication
- Digital XML Signature
- Data Encryption
- How/Where to obtain valid Digital Certificates for use with IRS ACA Program

Schema

- XML Schema v3 is posted on the IRS web site – this package is only relevant for users that will be submitting via the ISS-UI channel.

- Users submitting via the ISS-A2A channel will receive the WSDLs and corresponding information from the IRS.

- Example XML documents for the entire SOAP Envelope is included in Section 8.

- The logic for Business and Individual name controls (e.g., which characters of the name to include) is located in the Filing Publication 5165

Corrections and Replacements

- Corrections and Replacements documentation has been added to Section 6 of the Composition and Reference Guide.

- Additional detail regarding the Corrections and Replacements process can be found in the Filing Publication 5165.

- The Filing Publication 5165 has been updated to identify that the ReceiptID is to be used to uniquely identify transmissions and records within the transmission.

- Corrections should be submitted in the same manner as original records. If original records were submitted electronically, corrections to those records should be submitted electronically.

Estimated Turn Around Times

IRS has received several questions regarding timing for receiving Receipt IDs and when to request the status (Acknowledgement):

- The Receipt ID will be returned as part of the synchronous session when submitting a transmission and should complete a manner of seconds.

- The processing status will only be available after the transmission has completed processing. During non-peak periods, the status should be available within ten minutes depending on the size of the Form Data File and the number of errors found while processing against the business rules. During peak periods, the status may not be available for several days depending on the work load.

- There are no limits on concurrent connections for either submissions or status checks.

Upcoming Updates

- Description of the Root Elements used in SOAP Envelope

- Mapping of Namespace to Prefix and explanation of prefix requirements

- Example of UI Manifest file (a sample is currently posted on irs.gov)

Q & A

Non-Technical Online Resources

Topic	Details	Source
ACA Tax Law	IRS ACA Homepage	irs.gov/aca
	4980H – Employer Shared Responsibility Provisions	http://www.irs.gov/Affordable-Care-Act/Employers/Employer-Shared-Responsibility-Provisions
	4980H Q&As	http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Employer-Shared-Responsibility-Provisions-Under-the-Affordable-Care-Act
	6056 Information Reporting Overview	http://www.irs.gov/Affordable-Care-Act/Employers/Information-Reporting-by-Applicable-Large-Employers
	6056 Information Reporting Q&As	http://www.irs.gov/Affordable-Care-Act/Employers/Questions-and-Answers-on-Reporting-of-Offers-of-Health-Insurance-Coverage-by-Employers-Section-6056
	6055 Information Reporting Overview	irs.gov/Affordable-Care-Act/Employers/Information-Reporting-by-Providers-of-Minimum-Essential-Coverage
	6055 Information Reporting Q&As	irs.gov/Affordable-Care-Act/Questions-and-Answers-on-Information-Reporting-by-Health-Coverage-Providers-Section-6055
	Legal Guidance and Other Resources	irs.gov/Affordable-Care-Act/Affordable-Care-Act-of-2010-News-Releases-Multimedia-and-Legal-Guidance
	e-File Overview	irs.gov/Businesses/Corporations/e-file-Affordable-Care-Act-Information-Reports

Technical Online Resources

Topic	Details	Source
ACA Information Returns (AIR) Program	AIR Homepage	irs.gov/for-Tax-Pros/Software-Developers/Information-Returns/Affordable-Care-Act-Information-Return-AIR-Program
	Did You Know?	irs.gov/for-Tax-Pros/Software-Developers/Information-Returns/Affordable-Care-Act-Information-Returns-AIR-Program-Did-You-Know%3F
	Working Group Meeting Details	irs.gov/for-Tax-Pros/Software-Developers/Information-Returns/Affordable-Care-Act-Information-Returns-AIR-Program-Overview
	Schema to Form Crosswalk	irs.gov/PUP/for_taxpros/software_developers/information_returns/AIR_Working_Group_Meeting_02192015v2.pdf
	TY 2014 Schemas and Business Rules	http://www.irs.gov/for-Tax-Pros/Software-Developers/Information-Returns/Tax-Year-2014-Schemas-for-Affordable-Care-Act-Information-Returns-(AIR)
	Publication 5164	http://www.irs.gov/pub/irs-pdf/p5164.pdf
	Publication 5165	http://www.irs.gov/pub/irs-pdf/p5165.pdf
	AIR Submission Composition and Reference Guide	http://www.irs.gov/PUP/for_taxpros/software_developers/information_returns/AIR_Composition_and_Reference_Guide.pdf
	AIR Mailbox – *Technical Inquiries Only*	airmailbox@irs.gov
	Subscribe to Quick Alerts	http://www.irs.gov/Tax-Professionals/e-File-Providers-&-Partners/Subscribe-To-Quick-Alerts

Additional Online Resources

Topic	Details	Source
Forms and Instructions	2014 Form 1094-B	http://www.irs.gov/pub/irs-pdf/f1094b.pdf
	2014 Form 1095-B	http://www.irs.gov/pub/irs-pdf/f1095b.pdf
	2014 Instructions 1094/1095-B	http://www.irs.gov/pub/irs-pdf/i109495b.pdf
	2014 Form 1094-C	http://www.irs.gov/pub/irs-pdf/f1094c.pdf
	2014 Form 1095-C	http://www.irs.gov/pub/irs-pdf/f1095c.pdf
	2014 Instructions 1094/1095-C	http://www.irs.gov/pub/irs-pdf/i109495c.pdf
	2015 Draft Form 1094-B	http://www.irs.gov/pub/irs-dft/f1094b--dft.pdf
	2015 Draft Form 1095-B	http://www.irs.gov/pub/irs-dft/f1095b--dft.pdf
	2015 Draft Instructions 1094/1095-B	http://www.irs.gov/pub/irs-dft/i109495b--dft.pdf
	2015 Draft Form 1094-C	http://www.irs.gov/pub/irs-dft/f1094c--dft.pdf
	2015 Draft Form 1095-C	http://www.irs.gov/pub/irs-dft/f1095c--dft.pdf
	2015 Draft Instructions 1094/1095-C	http://www.irs.gov/pub/irs-dft/i109495c--dft.pdf
Regulations	4980H Final Regulations	http://www.gpo.gov/fdsys/pkg/FR-2014-02-12/pdf/2014-03082.pdf
	6055 Final Regulations	http://www.gpo.gov/fdsys/pkg/FR-2014-03-10/pdf/2014-05051.pdf
	6056 Final Regulations	http://www.gpo.gov/fdsys/pkg/FR-2014-03-10/pdf/2014-05050.pdf

Appendix: Required information for e-services Registration

- The registration process authenticates the Responsible Officials and Contacts listed on your application.

- The following information is required for e-services Registration:

  Note: Registration information is not visible on the ACA Application for TCC. The registration process authenticates the Responsible Officials and Contacts associated with an application.

  - Legal name (verified with IRS & SSA records)
  - Social Security Number (verified with SSA records)
  - Date of birth (verified with SSA records)
  - Telephone number
  - Home mailing address (verified with IRS records)
  - E-mail address
  - Adjusted Gross Income (AGI) from either your current year or prior year tax return

Additionally, the registration process requires the creation of the following items for the individual registering:

- Username

- Password and PIN

- Recover my username question (for forgotten usernames)