



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

October 14, 2014

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UIL: 36B.00-00

Dear _____ :

I am responding to your inquiry to Senator Jeanne Shaheen, dated September 12, 2014. You asked Senator Shaheen if there is a tax form you have to submit to the IRS because advance payments of the premium tax credit were made on your behalf. Senator Shaheen asked us to respond directly to you.

The premium tax credit is a refundable tax credit for certain individuals who enroll, or who have a family member who enrolls, in a health insurance plan offered through a Health Insurance Marketplace. The purpose of the credit is to make health insurance more affordable for individuals with moderate income who are not eligible to enroll in other health care coverage such as coverage through an employer or government program.

Individuals who enroll in Marketplace coverage and who meet other requirements may choose to get the benefit of advance payments of the premium tax credit. Advance payments of the premium tax credit are made directly to the individual's insurance company to lower the individual's monthly premiums for the coverage.

You wrote in your letter that one or more advance payments of the premium tax credit were made for you. If so, you must file an income tax return for 2014 and attach Form 8962, Premium Tax Credit (PTC). You will use Form 8962 to claim the premium tax credit and to reconcile, or compare, your advance payments of the premium tax credit with the premium tax credit you are allowed for the year. You will also need Form 1095-A, Health Insurance Marketplace Statement, to complete Form 8962.

Form 1095-A will provide you with certain information about your health insurance enrollment, including the amount of the advance payments of the premium tax credit made for you in 2014. The Marketplace must send Form 1095-A to you no later than January 31, 2015.

Please note that if your insurance company did not provide coverage for a particular month, the insurance company should have returned any advance payment of the premium tax credit it received for that month's coverage. In that case, you would not have to report on Form 8962 the advance payment of the premium tax credit for that month.

You also asked if your health care provider should have issued a bill for certain months in which there was a coverage dispute. Because this question does not involve a tax matter, we cannot answer it.

I am sorry for the frustration you experienced with this process, but I hope this information is helpful. If you have any questions, please contact me at _____, or _____, Identification Number _____, or _____, Identification Number _____, at _____.

Sincerely,

Andrew J. Keyso
Associate Chief Counsel
(Income Tax and Accounting)

cc: The Honorable Jean Shaheen
Attention: