



**Department of the Treasury  
Internal Revenue Service  
Wage and Investment Division**

Date:

Contact telephone number:  
xxx-xxx-xxxx

Contact hours:  
7 a.m. to 7 p.m. ET  
Monday – Friday

Dear HCTC Advance Monthly Payment Program participant,

We've enclosed Form 1099-H, Health Coverage Tax Credit (HCTC) Advance Payments, which reports the portion of HCTC advance monthly payment amounts we paid for your benefit in [2018].

**What you need to do**

- Verify the amounts shown on the enclosed Form 1099-H with your records. If there are any discrepancies, call us at the number above.
- Reconcile these advance monthly payments with your eligibility to claim the HCTC on Form 8885, Health Coverage Tax Credit.
- Make an election to claim the HCTC benefit for [2018] by the due date of your tax return (including extensions) on Form 8885.

**You MUST file Form 8885 with Form 1040, 1040NR, 1040-SS, or 1040-PR on or before [April 15, 2019], or request an extension to file your tax return on or before [April 15, 2019], even if you're not claiming any additional HCTC on Form 8885.**

**How to make an election**

Check the box on line 1 of Form 8885 for the first eligible coverage month you're electing to take the HCTC. You must also check all boxes on line 1 for each coverage month after the election month for which you're eligible to take the HCTC. If you aren't eligible to take the HCTC for any coverage month, the election doesn't apply for that month.

You cannot claim the HCTC on line 2 of Form 8885 for any advance monthly payment amount included on Form 1099-H. Claiming these amounts on your Form 8885 means you would receive the credit twice. For example, you participated in the Advance Monthly Payment Program and paid \$27.50 (27.5%) of a \$100 monthly premium to "U.S. Treasury-HCTC." You received a Form 1099-H showing an advance payment of \$72.50 (72.5% of the \$100 premium). You wouldn't include any part of the \$100 premium on line 2 because you already received the benefit of the Advance Monthly Payment Program.

For more information, refer to Form 8885 and its instructions.

**What will happen if you don't make a timely election**

You'll need to repay, as an additional tax, all [2018] advance monthly payment amounts. Also, if you filed Form 14095, The Health Coverage Tax Credit (HCTC) Reimbursement Request, you'll need to repay all reimbursements of the HCTC you received in [2018].

You can get the forms or publications mentioned in this letter by visiting our website at [www.irs.gov/forms-pubs](http://www.irs.gov/forms-pubs) or by calling 800-TAX-FORM (800-829-3676).

We appreciate the opportunity to serve you in [2018] and look forward to [2019].

Sincerely,

HCTC Program Administrators