



Employers, take note: After a period of relative leniency, multiple signs point to revived scrutiny of Affordable Care Act (ACA) non-compliance for the 2021 tax year. Professionals tasked with managing ACA reporting can receive a no-cost assist from Trusaic by accessing the company's [ACA E-File with Penalty Risk Assessment](#) software, the only free product on the market that identifies penalty risk before the filing is transmitted to the Internal Revenue Service (IRS).

Human resources administrators face a complex process in identifying employees who should receive health coverage under the ACA, and accurately tracking the corresponding coverage offers. For companies with a large number of hourly employees or a high rate of workforce turnover, the process is difficult to manage and is often fraught with potential for error.

According to Joanna Kim-Brunetti, Esq., vice president of regulatory affairs and general counsel at Trusaic, employers shouldn't count on the IRS issuing a deadline extension as they did last year. Notably, the Treasury Inspector General for Tax Administration (TIGTA) recommended that the IRS do more to identify ACA non-compliance and assess more penalties. In addition, the IRS has made clear in its recent penalty assessments that employers must do more when contesting ACA penalties, such as providing actual math computations demonstrating ACA affordability and why they shouldn't receive a penalty.

“This is also the first year where Good-Faith Transition Relief is no longer available. The fail-safe for employers struggling with ACA reporting ended in 2020 and reinforces the importance for employers to take ACA reporting seriously,” advises Kim-Brunetti.

Trusaic's ACA e-File solution identifies errors by replicating the checks run by the IRS to detect out-of-compliance employers. This lets HR professionals correct any issues and submit their organization's 1094-C/1095-C filings for ACA reporting more quickly and with a higher level of accuracy. Small mistakes in ACA filing can result in costly penalties, which could approach millions of dollars depending on the size of the reporting organization. Most do-it-yourself ACA software solutions do not offer the capability to identify or prevent IRS penalty risk. Trusaic's product dramatically reduces the margin for error with the only built-in penalty risk analysis feature on the market.

In order to ensure full compliance under the law, HR professionals must first organize and clean large amounts of data from disjointed data sources, and then use that clean data to make calculations — all while applying the ACA law correctly.

Issues with data entry, overwriting errors, inaccurate control group analysis and missing values can result in inaccurate or incomplete data which can be undetectable by HR. Ultimately, such errors lead to out-of-compliance filings and inaccurate reporting to the IRS.

The free filing feature embedded into Trusaic's ACA E-File product can further reduce costs, especially critical for employers facing financial hardship during the economic turbulence of the global pandemic. Many organizations lack the capability to reconcile inconsistencies between data silos. Trusaic's solution helps prevent incorrect filings before final submission to the IRS.

Employers can access Trusaic's free ACA E-File solution here: <https://trusaic.com/free-aca-e-file/>

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