

# Taxes and Health Coverage

## What you need to know if you enrolled through the Health Insurance Marketplace

Taxes may not be fun, but they play an important role in helping make your health coverage more affordable. This fact sheet helps you understand what you need to know about filing your taxes if you enrolled in a health plan via the Health Insurance Marketplace, such as HealthCare.gov or your state's marketplace website.

### Did you choose to get a premium tax credit when you enrolled in coverage?

**Premium tax credits** help lower the cost of coverage purchased through the Health Insurance Marketplace for people with incomes that qualify. **Premiums** are the monthly bill you pay for health insurance. The premium tax credit can work in two ways:

- **Get it now.** Get the credit each month you have Marketplace coverage. This is called an advanced premium tax credit. The Marketplace sends the money directly to your health insurance company, and you pay a lower monthly premium.
- **Get it later.** You pay the total premium every month, but you get a refund on your taxes after the calendar year is over.

Get this information online:  
[targethiv.org/taxes](https://targethiv.org/taxes)



Most individuals with a household income between 100 and 400% of the Federal Poverty Level are eligible for a tax credit, but the exact amount of the credit will depend on your income. You apply for the premium tax credit when you apply for coverage in the Marketplace. In the application, you must give the Marketplace permission to collect your tax data from the IRS every year. That information will be used to calculate how much financial assistance you qualify for.

**If you got a premium tax credit when you enrolled in coverage in 2018:**

- You must file a federal tax return.
- The Marketplace uses your tax information to make sure that you got the correct amount of financial help based on your household size and income. This is called **reconciliation**. If you had coverage and do not file and reconcile tax credits, you will not be able to get premium tax credits next year!

**If you did NOT get a premium tax credit when you enrolled in coverage in 2018:**

- You may still be eligible for a tax credit for 2018, but you must file your federal tax return for calendar year 2018 to find out.
- If your income decreased during the year, you may be eligible for a federal tax credit now (even if you were not eligible for the tax credit when you applied for coverage). File your federal tax return with **IRS Form 8962** (Premium Tax Credit) to find out if you are eligible for a premium tax credit for 2018.

**Are you not sure if you received premium tax credits through the Marketplace?**

If you enrolled in coverage through HealthCare.gov, you can view information on any premium tax credits you are receiving or are eligible to receive by going to the tab called "My Plans."



## What you need to know before filing taxes

You will receive **IRS Form 1095-A** (Health Insurance Marketplace Statement) in the mail from the Marketplace that shows your health coverage and the amount you received in advance premium tax credits each month, if any. If Form 1095-A was lost, never received, or is incorrect, you can contact the Marketplace directly for a copy.

You should wait to file your taxes until you receive IRS Form 1095-A, which should arrive in early February.

**As you prepare to file taxes,** it's important to know that there have been changes to this year's tax forms:



- Forms 1040-A and 1040-EZ are no longer available. Instead, **Form 1040**, the Individual Income Tax Return, has been redesigned and includes space to provide information about premium tax credits. You will do this on Schedules 2 and 5, which are forms you will complete and submit along with the Form 1040.
- **Form 8962** (Premium Tax Credit) has been revised to reflect the elimination of Forms 1040-A and 1040-EZ. Form 8962 now directs people to the Schedules they need to complete on Form 1040.

### File IRS Form 8962 (Premium Tax Credit) with your taxes to:

- Make sure you got the correct amount of financial help, if you already received the tax credit;
- Or see if you still might qualify for the tax credit.
- Use **IRS Form 1095-A** to help you fill out IRS Form 8962.

## What to do if you had a short gap in coverage (less than three consecutive months)

You will also need to file **IRS Form 8965** for Health Coverage Exemptions. Through the end of 2018, most Americans were required to have health insurance, or pay a fee. However, if you only had a short gap in coverage in 2018, you are exempt from the fee.



## What you should have with you when you file taxes

### Health coverage information

1. **IRS Form 1095-A** (Health Insurance Marketplace Statement) proving you had coverage. You will use this form to complete and file **IRS-Form 8962** (Premium Tax Credit).

### Income and tax information for the tax year

1. W-2 forms from all employers
2. Unique Exemption Certificate Number or ECN if you applied for an exemption from the Marketplace
3. Information about any self-employment income
4. Unemployment compensation
5. Social Security benefits

### Information for each household member

1. Social security numbers
  - \* If you do not have a valid social security number, bring an Individual Taxpayer Identification Number (ITIN). This is a 9-digit number that you can request and receive from the IRS.
2. Dates of birth





## Do you need help filing your taxes?

### If your income is below \$55,000:

You may be able to get free help with filing your taxes through the Volunteer Income Tax Assistance (VITA) program. Learn more about the VITA program:

<http://1.usa.gov/1L1h3Hj>

### If your income is below \$66,000:

The IRS also provides free tax filing software. Learn more about the software:

<http://1.usa.gov/1QATpt5>

You can also talk to your Ryan White Program case manager to find out if tax preparation services are available through their organization or another local provider.



The Access, Care, and Engagement (ACE) TA Center aims to help Ryan White HIV/AIDS Program recipients and subrecipients support their clients, especially people of color, to navigate the health care environment through enrollment in health coverage and improved health literacy. For more information, visit: [www.targethiv.org/ACE](http://www.targethiv.org/ACE)

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