



# IRS FORM 1095-A: Health Insurance Marketplace Statement FAQs

January 9, 2015

## 1. What are the new tax filing rules?

There are important things you need to do when filing your federal income tax return for the 2014 calendar year:

- Show proof that you had qualifying health insurance in 2014 (or file for exemption or pay a penalty if you didn't - See [questions #38-42](#) for additional information); and
- If you got premium tax credits or think you might qualify, file a new Internal Revenue Service (IRS) Premium Tax Credit form (Form 8962) with the amount of any premium tax credits you already got. See question #9 to read more about IRS Form 8962.

## 2. What is the new tax credit for health insurance?

Starting with tax year 2014, low- and moderate-income people can qualify for a federal tax credit that lowers the cost of buying health insurance.

To qualify for premium tax credit in California, you must:

- Purchase your health plan through Covered California;
- Be income eligible;
- If married, file your taxes jointly; and
- Not be eligible for "[Minimum Essential Coverage](#)," including coverage from an employer, Medi-Cal, Medicare or certain other forms of coverage.

To provide help right away, the tax credit can be taken "in advance," also known as the Advanced Premium Tax Credit (APTC). "In advance" means that the federal government pays part of your monthly premium directly to your health plan. You pay a lower premium, minus the tax credit. For example:

Your monthly premium = \$300

Federal tax credit to the health plan = \$240

What you pay to the health plan = \$ 60

You don't have to take the premium tax credit in advance. You can wait until you file your federal tax return to get your premium tax credit. For more information about how APTC is calculated please see [question #37](#).

## 3. How do I know if I already got premium tax credits?

Lots of people may not realize they got premium tax credits. If you applied when you enrolled, you don't actually "get" the tax credit every month. The premium tax credit is paid directly to your health insurance plan. Your monthly premium costs are lower as a result. (See our example in question #2 above.)