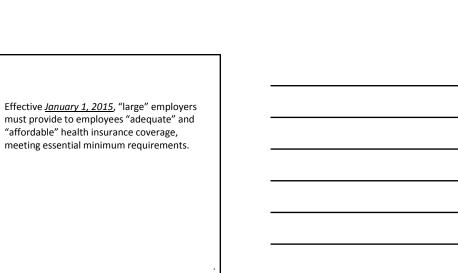
(III)	CHATTANOOGA TAX PRACTITIONERS
September 18, 2013 Liberty Tower	Employer "Shared Responsibility"
	Presented by
	James L. Catanzaro, Jr.
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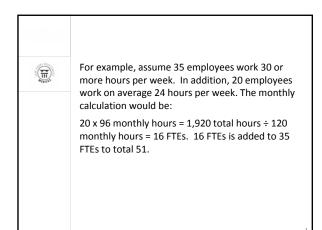
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A REAL PROPERTY OF THE PROPERT	Help answer two questions for our clients today:
	1. Does it apply?
	2. If so, what are my options?

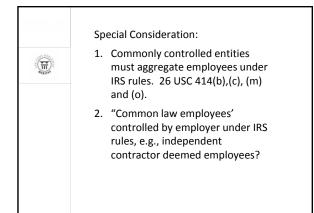
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 Does it Apply? Are you a "large" employer? A large employer employs 50 or more <u>full-time equivalents</u> in a month.

For purposes of determining, employers must not only count employees who work 30 or more hours per week in a month but also <u>other equivalent fulltime workers</u>. Seasonal works, those working fewer than 120 days in a year, are excluded.

(FF)	The employer must count the total number of hours worked by part-time employees to determine if as aggregated there are additional FTEs.	
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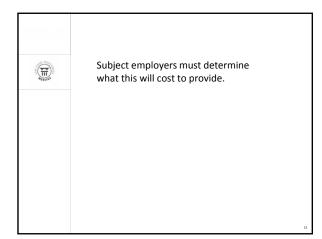


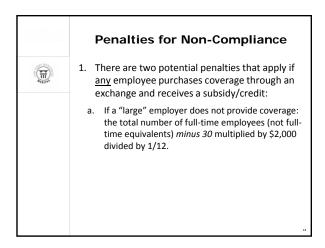
 What are My Options? A. Understanding the coverage required and penalties applicable.

COVERAGE REQUIRED
 Must offer "affordable" coverage. Coverage does not require employee to pay more than 9.5% of household income for premiums. Employers may use W-2 to determine "household income".

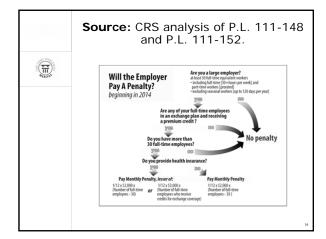
2. Coverage must also be adequate. Coverage which will pay 60% or more of the average health care costs for plan members as actuarially determined.

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(H)	 Provide Minimum Coverage of certain health care benefits (excludes dental and vision plans and most FSAs/HSAs). 	
	п	

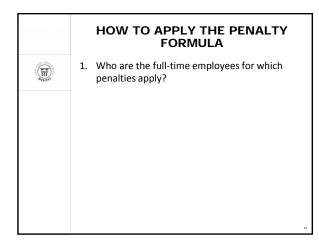




b. If coverage is provided but not adequate, penalty is <i>lesser of</i> the number reached using the previous calculation or \$3,000 multiplied by the number of employees receiving subsidies.
13







2 11 4 10 11 1 10 11	Identifying Full-Time Employees
	Step One: A measurement period is set by the employer, and must be uniformly applied to a class of employees. It can range from a minimum of three months to a maximum of twelve months.



Step Two:

Employers can create an "administrative" period up to 90 days to enroll eligible employees which intervenes between the measurement and stability periods.

Step Three: Establish stability period which must be at least six months in duration but <u>not</u> less than <u>measurement</u> period. Employees identified from measurement period and employed in stability period counted in calculation during this period if any receive a
premium subsidy. This applies regardless of hours actually worked in this period.



	Source: CRS based on IRS Notice 2012-58 Determining Full-time Employees for Purposes of Shared Responsibility for Employers Regarding Health Coverage.			
TOTAL STATE				
	Standard Measurement Period 3 to 12 months to determine if full time	Admin Period up to 90 days	Stability Period at least 6 months Only pay penalty during stability period if required.	Standard Measurement Period repeats



Questions?	
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