

EMPLOYER REPORTING RESPONSIBILITIES: 2022 TAX YEAR PENALTY AMOUNTS

Applicable Large Employers (ALEs) are required to comply with employer reporting responsibilities under the ACA. Any employer averaging 50 or more full-time (FT) plus full-time equivalent (FTE) employees for the prior calendar year must report on the coverage it offers (or does not offer) to its FT employees and their dependents for the following year. IRS common ownership (controlled/aggregated group) rules apply when determining employer size.

Groups with less than 50 employees sponsoring self-insured coverage must also comply with the ACA's employer reporting responsibilities. Penalties for noncompliance are hefty and were increased by IRC 6721 and IRC 6722.

Time of Filing	Penalty Rate	IRS Forms Due 1/1/2023 - 12/31/2023
Not more than 30 days late	Per return	\$ 50
	Maximum – Gross receipts less than/equal to \$5M*	\$ 206,000
	Maximum – Gross receipts over \$5M*	\$ 588,500
31 days late – August 1st	Per return	\$ 110
	Maximum – Gross receipts less than/equal to \$5M*	\$ 588,500
	Maximum – Gross receipts over \$5M*	\$ 1,766,000
After August 1st	Per return	\$ 290
	Maximum – Gross receipts less than/equal to \$5M*	\$ 1,177,500
	Maximum – Gross receipts over \$5M*	\$ 3,532,500
Intentional disregard	Per return	\$ 580
	Maximum – Gross receipts less than/equal to \$5M*	No limitation
	Maximum – Gross receipts over \$5M*	No limitation

* Based on average annual gross receipts for the most recent 3 taxable years