



HealthWatch 2016

The HealthWatch report includes information about your health care situation so you can plan for or take advantage of the health care laws in the upcoming tax years. The contents of this report are specific to your tax situation based on the information provided on your 2015 return.

General Information

The Affordable Care Act (ACA) requires most U.S. citizens and legal residents to have health insurance or pay a penalty, commonly referred to as the individual shared responsibility payment. The law applies to individuals of all ages, including children. If you currently have health insurance through individual market policies, job-based coverage, Medicare, Medicaid, CHIP, TRICARE and certain other coverage, you will **not** need to get different health insurance. However, you do have the option to compare your health insurance coverage against what you could receive through your state's marketplace, also known as an exchange.

If you have qualifying health insurance for all of 2016, you won't pay a tax penalty. Otherwise, based on your 2015 return, your estimated tax penalty for not having health insurance for all of 2016 would be **\$2,085**.

New Forms

You may begin to start receiving some new tax forms through email or by mail. These forms are: Form 1095-A, Form 1095-B and Form 1095-C. These 3 forms will report your health insurance coverage depending on where you receive your health insurance from.

To access a printed copy of how all the new ACA tax forms and the individual shared responsibility payment may impact your taxes, **click here**.

Exemptions

Under certain circumstances, you won't have to make the individual shared responsibility payment because you may be eligible for an exemption. You may qualify for one of the exemptions below:

- You're uninsured for less than 3 months of the year
- The lowest-priced coverage available to you would cost more than 8.05% of your household income
- You don't have to file a tax return because your income is too low
- You're a member of a federally recognized tribe or eligible for services through an Indian Health Services provider*
- You're a member of a recognized health care sharing ministry
- You're a member of a recognized religious sect with religious objections to insurance, including Social Security and Medicare*
- You're incarcerated (either detained or jailed), and not being held pending disposition of charges
- You're not lawfully present in the U.S.
- You qualify for a hardship exemption*

While most exemptions can be claimed on your federal tax return, some exemptions must be claimed through the Marketplace. These exemptions are marked by a '*' above. Most exemptions listed above are on an annual basis. However, hardship exemptions are usually provided for the month before the hardship, the months of the hardship and the month after the hardship.

Marketplace

If you need health insurance, you may be able to access the health insurance marketplace in the state in which you live. You will be required to complete an application that will help you determine the type of health insurance that you qualify for. Open enrollment starts November 1, 2015 for coverage starting as early as January 1, 2016. Open enrollment ends January 31, 2016. When applying through your state marketplace, you may be eligible for an advanced premium tax credit. This credit can be used right away to lower your monthly premium costs. If you qualify, you may choose how much advance credit payments to apply to your premiums each month, up to a maximum amount determined by the marketplace. The credit will then be reconciled on your federal income tax return, which could lead you to receiving a bigger credit, or having to pay back a portion of the credit if your income were to increase or decrease in 2016.

If you already have health insurance through your state marketplace, your plan will automatically renew for 2016. However, if you have certain life or income changes during the year, you should report those changes to your state marketplace as soon as possible. After you report your changes to the marketplace, you'll get a new eligibility notice that will explain:

- Whether you qualify for a special enrollment period that allows you to change plans
- Whether you're eligible for lower costs based on your new income, household size, or other changed information

Based on your address, your Texas marketplace is called **Federal Health Insurance Marketplace** and the website is **www.healthcare.gov**.

Marketplace Checklist

When you apply for coverage in the Health Insurance Marketplace, you'll need to provide some information about you and your household, including income, any insurance you currently have, and some additional items. The checklist provided below will help you organize all this data for when you are ready to sign up through your marketplace.

Household Member Information

Name: Muhammad A Husain Identifying Number: 543-02-0648 Date of Birth: 06/14/1961

***TaxAct computes your 2015 household income information based on yearly totals. You may be required to estimate your 2016 household income based on income earned on a monthly basis.**

Description	2015	2016
Wages, salaries and tips (before taxes):	\$75,136	
Unemployment:	\$0	
Pensions/IRAs:	\$0	
Social Security:	\$0	

Alimony received:	\$0
Net self-employment income:	\$-1,551
Net farming/fishing:	\$0
Net rental/royalty:	\$0
Other income (type): Interest	\$33
Alimony paid	\$0
Student loan interest	\$0
Other deductions (type):	\$0
Your total income:	\$73,368

Policy numbers for any current health insurance plans:

Complete the Employer Coverage Tool for every job-based plan Muhammad A Husain is eligible for. You can find this tool at www.healthcare.gov (<https://www.healthcare.gov>).

Household Member Information

Name: Nazma Akhter Identifying Number: 636-25-8987 Date of Birth: 05/28/1973

***TaxAct computes your 2015 household income information based on yearly totals. You may be required to estimate your 2016 household income based on income earned on a monthly basis.**

Description	2015	2016
Wages, salaries and tips (before taxes):	\$11,011	

Unemployment:	\$0
Pensions/IRAs:	\$0
Social Security:	\$0
Alimony received:	\$0
Net self-employment income:	\$0
Net farming/fishing:	\$0
Net rental/royalty:	\$0
Other income (type):	\$0
Alimony paid	\$0
Student loan interest	\$0
Other deductions (type):	\$0
Your total income:	\$10,867

Policy numbers for any current health insurance plans:

Complete the Employer Coverage Tool for every job-based plan Nazma Akhter is eligible for. You can find this tool at www.healthcare.gov (<https://www.healthcare.gov>).

Other Household Member Information

Name:	Identifying Number:	Date of Birth:
--------------	----------------------------	-----------------------

***TaxAct computes your 2015 household income information based on yearly totals. You may be required to estimate your 2016 household income based on income earned on a monthly basis.**

Description**2015****2016**

**Wages, salaries and tips
(before taxes):**

Unemployment:

Pensions/IRAs:

Social Security:

Alimony received:

**Net self-employment
income:**

Net farming/fishing:

Net rental/royalty:

Other income (type):

Alimony paid

Student loan interest

Other deductions (type):

Your total income:

Policy numbers for any current health insurance plans:

Complete the Employer Coverage Tool for every job-based plan this household member is eligible for. You can find this tool at www.healthcare.gov (<https://www.healthcare.gov>).

For More Information

Visit **www.HealthcareAct.com** (<https://www.healthcareact.com>), powered by TaxAct, for a year-by-year breakdown of how the ACA impacts taxes and health care.

www.HealthcareAct.com (<https://www.healthcareact.com>) also features calculators for the advanced premium tax credit and tax penalty, along with the latest ACA news.