



Did You Miss the April 2 ACA Reporting Deadline? Here's What's Next.

The Affordable Care Act (ACA) created reporting requirements under Internal Revenue Code Sections 6055 and 6056 that require certain employers to provide information to the IRS about the health plan coverage they offer (or do not offer) to their employees.

The annual deadline for the 2017 calendar year was Feb. 28, 2018, or April 2, 2018 (March 31, 2018, being a Saturday), if filed electronically. Missing this deadline can result in severe penalties of \$260 per return with a maximum penalty of \$3,218,500 per organization. Moreover, if the IRS determines that an organization intentionally failed to file their reports, the penalty amount will be \$530 per return without limitations.

What to do if You Missed the Deadline

If you missed the deadline, it's important to remember that filing late is better than not filing at all. It can also result in a reduced penalty amount.

If an organization files within 30 days of the due date, the IRS will reduce the penalty for late filings from \$260 to \$50. Filing after 30 days past the due date but before Aug. 1 will result in a penalty of \$100 per return with a maximum of \$1,609,500.

For More Information

To learn more about ACA reporting requirements, or what else you can do if you missed the deadline, please contact us today.

IRS Updates Employer Guide for 2018 Tax Changes to Fringe Benefits

The IRS recently released the 2018 version of Publication 15-B- Employer's Tax Guide to Fringe Benefits, which contains information for employers on the tax treatment of fringe benefits. The 2018 version is significant because it incorporates the changes made by the new tax law – the Tax Cuts and Jobs Act – to the following fringe benefits:

- Qualified transportation plans
- Moving expense reimbursements
- Employer-provided meals
- Employee achievement awards

Employers that offer fringe benefits should review the 2018 version of Publication 15-B and work with their tax advisors to implement the tax changes.

Worried Amount DOL Audits? Get PAID.

Each year, countless employers are subjected to wage and hour audits from the Department of Labor (DOL). Employers want to resolve the situation and pay back wages, but how can they without risking audits or lawsuits? The answer: Payroll Audit Independent Determination (PAID).

PAID is a new pilot program from the DOL- launched in early April – that allows employers to self-report wage and hour violations. The program tries to encourage self-reporting and to resolve violations quicker, without litigation.

PAID Overview

Essentially, employers conduct their own self-audits and calculate affected employees’ back wages. Next, that information is submitted to the DOL for review.

The DOL signs off on the amounts and other various paperwork, and then sends back summary agreements for employees to sign. The employees sign their summaries and the employer pays the agreed amounts.

PAID Benefits

By going through the PAID program, employers may save themselves from paying liquidated damages and civil monetary penalties.

PAID Drawbacks

Even if the employer follows all the program steps, employees are not required to accept the payment. This among other loopholes, still leaves employers open to potential litigation. Additionally, PAID does not protect against future DOL audits.

For more information on this program visit: www.dol.gov/whd/paid

Speak with Cornerstone Benefit Plans, Inc. amount any general questions on the program. However, depending on the queries, you may need to consult legal counsel.

Education Benefits: A Trending Way to Retain Talent

Employer-sponsored programs, like tuition assistance, are trending as a way to retain talent. Recently, McDonald’s announced a \$150 million investment in their education assistance benefits over the next five years.

The program aims to help employees and their families with initiatives like paying college tuition, earning a high school diploma and learning English as a second language.

McDonald’s announcement comes alongside other retailers who are investing more in their employees- via higher wages or otherwise – as a way to improve retention.

Contact Cornerstone Benefit Plans, Inc. to discuss the topic in more detail and explore potential options.



For more information, please contact:
 Jerry Ciaramitaro, JD, MBA, President
 Phone: 248-641-2740
jc@cornerstonebenefitplans.com
www.cornerstonebenefitplans.com

