



# Instructions for Form 8962

## Premium Tax Credit (PTC)

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

Use Form 8962 to figure the amount of your [premium tax credit \(PTC\)](#) and reconcile it with [advance payment of the premium tax credit \(APTC\)](#).

You may take the PTC (and APTC may be paid) only for health insurance coverage in a [qualified health plan](#) (defined later) purchased through a Health Insurance Marketplace (Marketplace, also known as an Exchange). As a result, you should complete Form 8962 **only** for health insurance coverage in a qualified health plan purchased through a Marketplace. This includes a qualified health plan purchased on [HealthCare.gov](#) or through a State Marketplace.

If you or a member of your family enrolled in health insurance coverage for 2020 through a Marketplace, you should have received Form 1095-A, Health Insurance Marketplace Statement, from the Marketplace. Form 1095-A shows the months of coverage purchased through the Marketplace and any APTC paid to your insurance company to help cover your monthly premium. If APTC was paid on your behalf, or if APTC was not paid on your behalf but you wish to take the PTC, you must file Form 8962 and attach it to your tax return (Form 1040, 1040-SR, or 1040-NR).



*At enrollment, the Marketplace may have referred to APTC as your “subsidy” or “tax credit” or “advance payment.” The term “APTC” is used throughout these instructions to clearly distinguish APTC from the PTC.*

### What’s New

**Health reimbursement arrangements (HRAs).** Beginning in 2020, employers can offer individual coverage health reimbursement arrangements (individual coverage HRAs) to help employees and their families with their medical expenses. If you are offered an individual coverage HRA, see [Individual coverage HRAs](#), later, for more information on whether you can claim a PTC for you or a member of your family for Marketplace coverage.

### Future Developments

For the latest information about developments related to Form 8962 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form8962](#).

### Reminders

**Qualified small employer health reimbursement arrangement (QSEHRA).** Under a QSEHRA, an eligible employer can reimburse eligible employees for medical expenses, including premiums for Marketplace health insurance. If you were covered under a QSEHRA, your employer should have reported the annual permitted benefit in box 12 of your Form W-2 with code FF. If the QSEHRA is affordable for a month, no PTC is allowed for the month. If the QSEHRA is unaffordable for a month, you

must reduce the monthly PTC (but not below -0-) by the monthly permitted benefit amount and you must enter “QSEHRA” in the top margin on page 1 of Form 8962 to explain your entry and avoid delay in the processing of your return. For more information, see *Column (e)* under [Line 11—Annual Totals](#) or [Lines 12 Through 23—Monthly Calculation](#), later. Also see *Qualified Small Employer Health Reimbursement Arrangement* in Pub. 974 for information on determining QSEHRA affordability and Notice 2017-67 for additional guidance on QSEHRA coordination with the PTC. Notice 2017-67 is available at [IRS.gov/irb/2017-47\\_IRB#NOT-2017-67](#).

**Report changes in circumstances when you re-enroll in coverage and during the year.** If [APTC](#) is being paid for an individual in your [tax family](#) (described later) and you have had certain changes in circumstances (see the examples below), it is important that you report them to the Marketplace where you enrolled in coverage. Reporting changes in circumstances promptly will allow the Marketplace to adjust your APTC to reflect the [PTC](#) you are estimated to be able to take on your tax return. Adjusting your APTC when you re-enroll in coverage and during the year can help you avoid owing tax when you file your tax return. Changes that you should report to the Marketplace include the following.

- Changes in [household income](#).
- Moving to a different address.
- Gaining or losing eligibility for other health care coverage.
- Gaining, losing, or other changes to employment.
- Birth or adoption.
- Marriage or divorce.
- Other changes affecting the composition of your [tax family](#).

For more information on how to report a change in circumstances to the Marketplace, see [HealthCare.gov](#) or your State Marketplace website.

**Health Coverage Tax Credit (HCTC).** The HCTC is a tax credit that pays a percentage of health insurance premiums for certain eligible taxpayers and their qualifying family members. The HCTC and the PTC are different tax credits that have different eligibility rules. If you think you may be eligible for the HCTC, see Form 8885 and its instructions or visit [IRS.gov/HCTC](#) before completing Form 8962.

**Health insurance options.** If you need health coverage, visit [HealthCare.gov](#) to learn about health insurance options that are available for you and your family, how to purchase health insurance, and how you might qualify to get financial assistance with the cost of insurance.

**Additional information.** For additional information about the tax provisions of the Affordable Care Act (ACA), including the individual shared responsibility provisions and the PTC, see [IRS.gov/Affordable-Care-Act/Individuals-and-Families](#) or call the IRS Healthcare Hotline for ACA questions (800-919-0452).

# General Instructions

## What Is the Premium Tax Credit (PTC)?

**Premium tax credit (PTC).** The PTC is a tax credit for certain people who enroll, or whose family member enrolls, in a [qualified health plan](#). The credit provides financial assistance to pay the premiums for the qualified health plan offered through a Marketplace by reducing the amount of tax you owe, giving you a refund, or increasing your refund amount. You must file Form 8962 to compute and take the PTC on your tax return.

**Advance payment of the premium tax credit (APTC).** APTC is a payment during the year to your insurance provider that pays for part or all of the premiums for a qualified health plan covering you or an individual in your tax family. Your APTC eligibility is based on the Marketplace's estimate of the PTC you will be able to take on your tax return. If APTC was paid for you or an individual in your [tax family](#), you must file Form 8962 to reconcile (compare) this APTC with your PTC. If the APTC is **more** than your PTC, you have excess APTC and you must repay the excess, subject to certain limitations. If the APTC is **less** than the PTC, you can get a credit for the difference, which reduces your tax payment or increases your refund.

**Changes in circumstances.** The Marketplace determined your eligibility for and the amount of your 2020 APTC using projections of your income and the number of individuals you certified to the Marketplace would be in your tax family (yourself, spouse, and dependents) when you enrolled in a [qualified health plan](#). If this information changed during 2020 and you did not promptly report it to the Marketplace, the amount of APTC paid may be substantially different from the amount of PTC you can take on your tax return. See [Report changes in circumstances when you re-enroll in coverage and during the year](#), earlier, for changes that can affect the amount of your PTC.

**Deductions for health insurance premiums.** You cannot deduct the portion of your health insurance premium on your tax return that is paid for by the PTC or APTC (after you determine how much of any excess APTC you must repay). If you are deducting medical expenses as an itemized deduction, see Pub. 502, Medical and Dental Expenses. If you are claiming the self-employed health insurance deduction, see Pub. 974, Premium Tax Credit.

**Form 1095-A, Health Insurance Marketplace Statement.** You will need Form 1095-A to complete Form 8962. The Marketplace uses Form 1095-A to report certain information to the IRS about individuals who enrolled in a [qualified health plan](#) through the Marketplace. The Marketplace sends copies to individuals to allow them to accurately file a tax return taking the PTC and reconciling APTC. For coverage in 2020, the Marketplace is required to provide or send Form 1095-A to the individual(s) identified in the Marketplace enrollment application by January 31, 2021. If you are expecting to receive Form 1095-A for a qualified health plan and you do not receive it by early February, contact the Marketplace.

Under certain circumstances, for example, where two spouses enroll in a qualified health plan and divorce during the year, the Marketplace will provide Form 1095-A to one taxpayer, but another taxpayer will also need the information from that form to complete Form 8962. The recipient of Form 1095-A should provide a copy to other taxpayers as needed.

**VOID BOX.** If you received a Form 1095-A with the void box checked at the top of the form, that means you previously received a Form 1095-A for the policy shown in Part I that was sent in error. You should not have received a Form 1095-A for the policy shown in Part I of the Form 1095-A. Do not use the

information on the Form 1095-A with the void box checked or the previously received Form 1095-A to complete Form 8962.

**CORRECTED BOX.** If you receive a Form 1095-A with the corrected box checked at the top of the form, use the information on the Form 1095-A with the corrected box checked to figure the PTC and reconcile any APTC on Form 8962. Do not use the information on the original Form 1095-A you received for the policy shown in Part I of the corrected Form 1095-A.

**Additional information.** For additional information on the PTC, see Pub. 974, Premium Tax Credit. You can also visit [IRS.gov](#) and enter "premium tax credit" in the search box.

Also see [How To Avoid Common Mistakes in Completing Form 8962](#) at the end of these instructions.

## Who Must File

You must file Form 8962 with your income tax return (Form 1040, 1040-SR, or 1040-NR) if any of the following apply to you.

- You are taking the PTC.
- APTC was paid for you or another individual in your [tax family](#).
- APTC was paid for an individual you told the Marketplace would be in your [tax family](#) and neither you nor anyone else included that individual in a tax family. See [Individual you enrolled who is not included in a tax family](#) under *Lines 12 Through 23—Monthly Calculation*, later.

If any of the circumstances above apply to you, you must file an income tax return and attach Form 8962 even if you are not otherwise required to file. You must use Form 1040, 1040-SR, or 1040-NR. For help determining which of these forms to file, see the Instructions for Forms 1040 and 1040-SR or the Instructions for Form 1040-NR.



*If you are filing Form 8962, you cannot file Form 1040-SS or 1040-PR.*

If someone else enrolled an individual in your tax family in coverage, and APTC was paid for that individual's coverage, you must file Form 8962 to reconcile the APTC. You need to obtain a copy of the Form 1095-A from the person who enrolled the individual.



*If you are claimed as a dependent on another person's tax return, the person who claims you will file Form 8962 to take the PTC and, if necessary, repay excess APTC for your coverage. You do not need to file Form 8962.*

## Who Can Take the PTC

You can take the PTC for 2020 if you meet the conditions under (1) **and** (2) below.

1. For at least 1 month of the year, all of the following were true.
  - a. An individual in your [tax family](#) was enrolled in a [qualified health plan](#) offered through the Marketplace on the first day of the month.
  - b. That individual was not eligible for minimum essential coverage (MEC) for the month, other than coverage in the individual market. An individual is generally considered eligible for MEC for the month only if he or she was eligible for every day of the month (see [Minimum essential coverage](#), later).
  - c. The portion of the [enrollment premiums](#) (described later) for the month for which you are responsible was paid by the due date of your tax return (**not** including extensions). However, if you became eligible for APTC because of a successful eligibility appeal and you retroactively enrolled in the plan, then the portion of the enrollment premium for which you are responsible must be paid on or before the 120th day following the date of the appeals decision.

2. You are an [applicable taxpayer](#) for 2020. To be an applicable taxpayer, you must meet all of the following requirements.

a. Your [household income](#) for 2020 is at least 100% but no more than 400% of the federal poverty line for your family size (see the instructions for [Line 4](#), later). However, having household income below 100% of the federal poverty line will not disqualify you from taking the PTC if you meet certain requirements described under [Household income below 100% of the federal poverty line](#), later.

b. No one can claim you as a dependent on a tax return for 2020.

c. If you were married at the end of 2020, generally you must file a joint return. However, filing a separate return from your spouse will not disqualify you from being an applicable taxpayer if you meet certain requirements described under [Married taxpayers](#), later.

**Unlawfully present in the United States.** You are not entitled to the PTC for health coverage for an individual for any period during which the individual is not lawfully present in the United States.

**Individual coverage HRAs.** Starting in 2020, employers can offer individual coverage HRAs to help employees and their families with their medical expenses. Under an individual coverage HRA, employers can reimburse eligible employees for medical expenses, including premiums for Marketplace health insurance.

If you were covered under an individual coverage HRA for 2020, you are not allowed a PTC for your 2020 Marketplace health insurance. Also, if another member of your tax family was covered under an individual coverage HRA for 2020, you are not allowed a PTC for the family member's 2020 Marketplace health insurance. If you or a family member could have been covered by an individual coverage HRA for 2020, but you opted out of receiving reimbursements under the individual coverage HRA, you may be allowed a PTC for your, and your family member's, Marketplace health insurance if the individual coverage HRA is considered unaffordable. See Pub. 974 for guidance on determining whether an individual coverage HRA is affordable.

For additional requirements and more details, see [Applicable taxpayer](#), later.

## Terms You May Need To Know

**Tax family.** For purposes of the PTC, your tax family consists of the following individuals.

- You, if you file a tax return for the year and you can't be claimed as a dependent on someone else's 2020 tax return.
- Your spouse if filing jointly and he or she can't be claimed as a dependent on someone else's 2020 tax return.
- Your dependents whom you claim on your 2020 tax return. If you are filing Form 1040-NR, you should include your dependents in your tax family only if you are a U.S. national; resident of Canada, Mexico, or South Korea; or a resident of India who was a student or business apprentice.

Your family size equals the number of qualifying individuals in your tax family (including yourself). See the instructions for [Line 1](#), later, for more information on figuring your tax family size.

**Note.** Listing your dependents by name and SSN or individual taxpayer identification number (ITIN) on your tax return is the same as claiming them as a dependent. If you have more than four dependents, see the Instructions for Forms 1040 and 1040-SR or the Instructions for Form 1040-NR.

**Household income.** For purposes of the PTC, household income is the modified adjusted gross income (modified AGI) of you and your spouse (if filing a joint return) (see [Line 2a](#), later)

plus the modified AGI of each individual whom you claim as a dependent and who is required to file an income tax return because his or her income meets the income tax return filing threshold (see [Line 2b](#), later). Household income does not include the modified AGI of those individuals whom you claim as dependents and who are filing a 2020 return only to claim a refund of withheld income tax or estimated tax.

**Modified AGI.** For purposes of the PTC, modified AGI is the AGI on your tax return plus certain income that is not subject to tax (foreign earned income, tax-exempt interest, and the portion of social security benefits that is not taxable). Use [Worksheet 1-1](#) and [Worksheet 1-2](#) to determine your modified AGI.

**Taxpayer's tax return including income of a dependent child.** A taxpayer who includes the gross income of a dependent child on the taxpayer's tax return must include on Worksheet 1-2 the child's tax-exempt interest and the portion of the child's social security benefits that is not taxable.

**Coverage family.** Your coverage family includes all individuals in your [tax family](#) who are enrolled in a [qualified health plan](#) and are not eligible for [MEC](#) (other than coverage in the individual market). The individuals included in your coverage family may change from month to month. If an individual in your tax family is not enrolled in a qualified health plan, or is enrolled in a qualified health plan but is eligible for MEC (other than coverage in the individual market), he or she is not part of your coverage family. Your PTC is available to help you pay only for the coverage of the individuals included in your coverage family.

**Monthly credit amount.** The monthly credit amount is the amount of your tax credit for a month. Your PTC for the year is the sum of all of your monthly credit amounts. Your credit amount for each month is the lesser of:

- The [enrollment premiums](#) (described next) for the month for one or more [qualified health plans](#) in which you or any individual in your [tax family](#) enrolled, or
- The amount of the monthly [applicable second lowest cost silver plan \(SLCSP\) premium](#) (described below) less your [monthly contribution amount](#) (described below).

To qualify for a monthly credit amount, at least one individual in your tax family must be enrolled in a qualified health plan on the first day of that month. Generally, if coverage in a qualified health plan began after the first day of the month, you are not allowed a monthly credit amount for the coverage for that month. However, if an individual in your tax family enrolled in a qualified health plan in 2020 and the enrollment was effective on the date of the individual's birth, adoption, or placement for adoption or in foster care, or on the effective date of a court order placing the individual with your family, the individual is treated as enrolled as of the first day of that month. Therefore, the individual may be a member of your tax family and coverage family for the entire month for purposes of computing your monthly credit amount.

**Enrollment premiums.** The enrollment premiums are the total amount of the premiums for the month, reduced by any premium amounts for that month that were refunded, for one or more [qualified health plans](#) in which any individual in your [tax family](#) enrolled. Form 1095-A, Part III, column A, reports the enrollment premiums.

You are generally not allowed a monthly credit amount for the month if any part of the enrollment premiums for which you are responsible that month has not been paid by the due date of your tax return (not including extensions). However, if you became eligible for APTC because of a successful eligibility appeal and you retroactively enrolled in the plan, the portion of the enrollment premium for which you are responsible must be paid on or before the 120th day following the date of the appeals decision. Premiums another person pays on your behalf are treated as paid by you.

If your share of the enrollment premiums is not paid, the issuer may terminate coverage. The termination is generally effective no sooner than the second month of nonpayment. For any months you were covered but did not pay your share of the premiums, you are not allowed a monthly credit amount.

**Applicable SLCSP premium.** The applicable SLCSP premium is the second lowest cost silver plan premium offered through the Marketplace where you reside that applies to your [coverage family](#) (described earlier). The SLCSP premium is not the same as your [enrollment premium](#), unless you enroll in the applicable SLCSP. Form 1095-A, Part III, column B, generally reports the applicable SLCSP premium. If no APTC was paid for your coverage, Form 1095-A, Part III, column B, may be wrong or blank or may report your applicable SLCSP premium as -0-. Also, if you had a change in circumstances during 2020 that you did not report to the Marketplace, the SLCSP premium reported in Part III, column B, may be wrong. In either case, you must determine your correct applicable SLCSP premium. You **do not** have to request a corrected Form 1095-A from the Marketplace. See [Missing or incorrect SLCSP premium on Form 1095-A](#), later.

**Monthly contribution amount.** Your monthly contribution amount is used to calculate your monthly credit amount. It is the amount of your household income you would be responsible for paying as your share of premiums each month if you enrolled in the [applicable SLCSP](#). It is not based on the amount of premiums you paid out of pocket during the year. You will compute your monthly contribution amount in Part I of Form 8962.

**Qualified health plan.** For purposes of the PTC, a qualified health plan is a health insurance plan or policy purchased through a Marketplace at the bronze, silver, gold, or platinum level. Throughout these instructions, a qualified health plan is also referred to as a policy. Catastrophic health plans and stand-alone dental plans purchased through the Marketplace, and all plans purchased through the Small Business Health Options Program (SHOP), are not qualified health plans for purposes of the PTC. Therefore, they do not qualify a taxpayer to take the PTC.

**Minimum essential coverage (MEC).** An individual in your tax family who is eligible for MEC (except coverage in the individual market) for a month is not in your coverage family for that month. Therefore, you cannot take the PTC for that individual's coverage for the months that individual is eligible for MEC. In addition to qualified health plans and other coverage in the individual market, MEC includes:

- Most coverage through government-sponsored programs (including Medicaid coverage, Medicare parts A or C, the Children's Health Insurance Program (CHIP), certain benefits for veterans and their families, TRICARE, and health coverage for Peace Corps volunteers);
- Most types of employer-sponsored coverage; and
- Other health coverage the Department of Health and Human Services designates as MEC.

**Eligibility for MEC.** In most cases, you are considered eligible for MEC if the coverage is available to you, whether or not you enroll in it. However, special rules apply to certain types of MEC as explained below.

**Employer-sponsored coverage.** Even if you and other members of your tax family had the opportunity to enroll in a plan that is MEC offered by your employer for 2020, you are considered eligible for MEC under the plan for a month only if the offer of coverage met a minimum standard of affordability and provided a minimum level of benefits, referred to as "minimum value." The coverage offered by your employer is generally considered affordable for you and the members of your tax family allowed to enroll in the coverage if your share of the annual cost for self-only coverage, which is sometimes referred to as the employee required contribution, is not more

than 9.78% of your household income. However, employer-sponsored coverage is not considered affordable if, when you or a family member enrolled in a qualified health plan, you gave accurate information about the availability of employer coverage to the Marketplace, and the Marketplace determined that you were eligible for APTC for the individual's coverage in the qualified health plan. In addition, if you or your family member enrolls in employer-sponsored coverage for a month, you or your family member is considered eligible for employer-sponsored coverage for that month, even if the coverage does not satisfy the affordability and minimum value standards. Finally, if your employer offered coverage for you but not your family, you may be able to take the PTC for your family members. For more information on affordability and minimum value, see Pub. 974.

Your employer may have sent you a Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, with information about the coverage offered to you, if any. See Form 1095-C, line 14, and the *Instructions for Recipient* included with that form, for information about whether you and other members of your tax family were offered coverage. See Pub. 974 for more information on how to determine whether the coverage you were offered was affordable and provided minimum value, including on how to use Form 1095-C.

**Example.** Don was eligible to enroll in his employer's coverage for 2020 but instead applied for coverage in a qualified health plan through the Marketplace for coverage in 2020. Don provided accurate information about his employer's coverage to the Marketplace, and the Marketplace determined that the offer of coverage was not affordable and that Don was eligible for APTC. Don enrolled in the qualified health plan for 2020. Don got a new job with employer coverage that Don could have enrolled in as of September 1, 2020, but chose not to. Don did not return to the Marketplace to determine if he was eligible for APTC for the months September through December 2020, and remained enrolled in the qualified health plan. Don is not considered eligible for employer-sponsored coverage for the months January through August of 2020 because he gave accurate information to the Marketplace about the availability of employer coverage, and the Marketplace determined that he was eligible for APTC for coverage in a qualified health plan. The Marketplace determination does not apply, however, for the months September through December of 2020 because Don did not provide information to the Marketplace about his new employer's offer of coverage. Whether Don is considered eligible for employer-sponsored coverage and ineligible for the PTC for the months September through December of 2020 is determined under the eligibility rules described under *Employer-Sponsored Plans* in Pub. 974.

**Waiting periods and post-employment coverage.** If you cannot get benefits under an employer-sponsored plan until after a waiting period has expired, you are not treated as eligible for that coverage during the waiting period. Also, if you leave your employment and are offered post-employment coverage such as COBRA or retiree coverage, you are not considered eligible for that post-employment coverage unless you actually enroll in the coverage. See *Coverage after employment ends* under *Employer-Sponsored Plans* in Pub. 974 for more information.

**Medicaid and CHIP.** You are generally considered eligible for coverage under a government-sponsored program for a month if you met the eligibility criteria for that month, even if you did not enroll. However, if a Marketplace made a determination that you or a family member were ineligible for Medicaid or CHIP and were eligible for APTC when the individual enrolls in a qualified health plan, the individual is treated as not eligible for Medicaid or CHIP for purposes of the PTC for the duration of the period of coverage under the qualified health plan (generally, the rest of the plan year), even if your actual 2020 income suggests that the individual may have been eligible for Medicaid or CHIP.

However, in order to rely on a Marketplace's determination that you or a family member were ineligible for Medicaid, CHIP, or a similar program, you must provide accurate information to the Marketplace when you enroll in a qualified health plan. You or the family member may be treated as eligible for Medicaid, CHIP, or the similar program, and not eligible for the PTC, if the Marketplace determination is later found to be based on incorrect information that was given with an intentional or reckless disregard for the facts. See Pub. 974 for more information.

For more information about eligibility for Medicaid, CHIP, and other forms of government-sponsored MEC, see Pub. 974.

**Example.** Married taxpayers Tom and Nicole applied for insurance affordability programs at the Marketplace for themselves and their two children whom they claim as dependents, Kim and Chris. The Marketplace determined that Kim and Chris were eligible for coverage under CHIP. Instead of enrolling Kim and Chris in CHIP, the entire tax family enrolled in a qualified health plan (with APTC paid only for Tom and Nicole's coverage). Because Kim and Chris were eligible for CHIP, which is MEC, Tom and Nicole are not eligible for the PTC for coverage of Kim and Chris, but may be eligible for the PTC for their own coverage.

**Coverage in the individual market outside the Marketplace.** While coverage purchased in the individual market outside the Marketplace is MEC, eligibility for this type of coverage does not prevent you from being eligible for the PTC for Marketplace coverage. Coverage purchased in the individual market outside the Marketplace does not qualify for the PTC.

For more details on eligibility for MEC, including additional special eligibility rules, see *Minimum Essential Coverage* in Pub. 974. You can also check [IRS.gov/Affordable-Care-Act/Individuals-and-Families/Individual-Shared-Responsibility-Provision](https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Individual-Shared-Responsibility-Provision) for future updates about types of coverage that are recognized as MEC.

**Applicable taxpayer.** You must be an applicable taxpayer to take the PTC. Generally, you are an applicable taxpayer if your [household income](#) for 2020 (described earlier) is at least 100% but not more than 400% of the federal poverty line for your family size (provided in Tables [1-1](#), [1-2](#), and [1-3](#)) and no one can claim you as a dependent for 2020. In addition, if you were married at the end of 2020, you must file a joint return to be an applicable taxpayer unless you meet one of the exceptions described under [Married taxpayers](#), later.

For individuals with household income below 100% of the federal poverty line, see [Household income below 100% of the federal poverty line](#) under line 6, later.

**Individuals who are incarcerated.** Individuals who are incarcerated (other than pending disposition of charges, for example, awaiting trial) are not eligible for coverage in a [qualified health plan](#) through a Marketplace. However, these individuals may be applicable taxpayers and take the PTC for the coverage of individuals in their [tax families](#) who are eligible for coverage in a qualified health plan.

**Individuals who are not lawfully present.** Individuals who are not lawfully present in the United States are not eligible for coverage in a [qualified health plan](#) through a Marketplace. They cannot take the PTC for their own coverage and are not eligible for the repayment limitations in [Table 5](#) for APTC paid for their own coverage. However, these individuals may be applicable taxpayers and take the PTC for the coverage of individuals in their [tax families](#), such as their children, who are lawfully present and eligible for coverage in a qualified health plan. For more information about who is treated as lawfully present for this purpose, visit [HealthCare.gov](#). See *Individuals Not Lawfully Present in the United States Enrolled in a Qualified Health Plan* in Pub. 974 for more information on reconciling APTC when an

unlawfully present person is enrolled individually or with lawfully present family members.

**Married taxpayers.** If you are considered married for federal income tax purposes, you must file a joint return with your spouse to take the PTC unless one of the two exceptions below applies to you.

You are not considered married for federal income tax purposes if you are divorced or legally separated according to your state law under a decree of divorce or separate maintenance. In that case, you cannot file a joint return but may be able to take the PTC on your separate return. See Pub. 501, Dependents, Standard Deduction, and Filing Information.

If you are considered married for federal income tax purposes, you may be eligible to take the PTC without filing a joint return if one of the two exceptions below applies to you. If [Exception 1](#) applies, you can file a return using head of household or single filing status and take the PTC. If [Exception 2](#) applies, you are treated as married but can take the PTC with the filing status of married filing separately.

**Exception 1—Certain married persons living apart.** You may file your return as if you are unmarried and take the PTC if one of the following applies to you.

- You file a separate return from your spouse on Form 1040 or 1040-SR because you meet the requirements for *Married persons who live apart* under *Head of Household* in the Instructions for Forms 1040 and 1040-SR.
- You file as single on your Form 1040-NR because you meet the requirements for *Married persons who live apart* under *Were You Single or Married?* in the Instructions for Form 1040-NR.

**Exception 2—Victim of domestic abuse or spousal abandonment.** If you are a victim of domestic abuse or spousal abandonment, you can file a return as married filing separately and take the PTC for 2020 if all of the following apply to you.

- You are living apart from your spouse at the time you file your 2020 tax return.
- You are unable to file a joint return because you are a victim of [domestic abuse](#) (described next) or [spousal abandonment](#) (described below).
- You check the box on your Form 8962 to certify that you are a victim of domestic abuse or spousal abandonment.
- You do not meet the 3-year limit for Exception 2, described below.

**Domestic abuse.** Domestic abuse includes physical, psychological, sexual, or emotional abuse, including efforts to control, isolate, humiliate, and intimidate, or to undermine the victim's ability to reason independently. All the facts and circumstances are considered in determining whether an individual is abused, including the effects of alcohol or drug abuse by the victim's spouse. Depending on the facts and circumstances, abuse of an individual's child or other family member living in the household may constitute abuse of the individual.

**Spousal abandonment.** A taxpayer is a victim of spousal abandonment for a tax year if, taking into account all facts and circumstances, the taxpayer is unable to locate his or her spouse after reasonable diligence.

**Three-year limit for Exception 2.** You cannot claim the PTC using this exception for more than 3 consecutive years. For example, if you used this exception to claim the PTC on your tax returns for 2017, 2018, and 2019, you cannot use this exception to claim the PTC on your 2020 return.

**Married filing separately.** If you file as married filing separately and are not a victim of domestic abuse or spousal abandonment (see [Exception 2—Victim of domestic abuse or spousal abandonment](#) under *Married taxpayers* above), then you are not an [applicable taxpayer](#) and you cannot take the PTC. You must generally repay all of the APTC paid for a [qualified health plan](#) that covered only individuals in your [tax](#)

**family.** If the policy also covered at least one individual in your spouse's tax family, you must generally repay half of the APTC paid for the policy. See the instructions for [Line 9](#), later. However, the amount of APTC you have to repay may be limited. See the instructions for [Line 28](#), later.

## Specific Instructions

**Name.** Print or type your name exactly as you entered it on your tax return. If you are married and filing a joint return, enter the name that appears first on your return.

**Social security number.** The social security number on this form should match the social security number on your tax return. If you are married and filing a joint return, enter the first social security number that appears on your tax return.

If you entered an ITIN on your tax return, enter this number on Form 8962.

**Victims of domestic abuse or spousal abandonment.** Check the box on the line above Part I of Form 8962 if you are filing as married filing separately, are a victim of domestic abuse or spousal abandonment, and qualify for [Exception 2—Victim of domestic abuse or spousal abandonment](#) under *Married taxpayers*, earlier. By checking this box, you are certifying that you qualify for an exception to the requirement to file a joint return with your spouse. Do not attach documentation of the abuse or abandonment to your tax return. Keep any documentation you may have with your tax return records. For examples of what documentation to keep, see Pub. 974.

**Married filing separately.** If APTC was paid for your coverage but you cannot take the PTC because you are married filing a separate return and you do not qualify for an exception to the joint filing requirement, complete lines 1 through 5 to figure your separate household income as a percentage of the federal poverty line. Skip lines 6 through 8b and complete lines 9 and 10 (and Part IV, if applicable). When completing line 11 or lines 12 through 23, complete only column (f). Then complete the rest of the form to determine how much you must repay.

## Part I—Annual and Monthly Contribution Amount

### Line 1

Enter on line 1 your [tax family](#) size.

Determine the number of individuals in your tax family using your tax return. Your tax family generally includes you, your spouse if you are filing a joint return, and your dependents. If you checked the “Someone can claim you as a dependent” box, or if you are filing jointly and you checked the “Someone can claim your spouse as a dependent” box on your tax return, you or your spouse are not included in the tax family size calculation for purposes of Form 8962, line 1.

**Note.** If an individual in your tax family was enrolled in a policy with an individual in another tax family and you are not taking the PTC, the taxpayer who is claiming the individual not in your tax family may agree to reconcile all APTC paid for the policy. See the instructions for line 9 and Part IV, later, for more information about this rule. If you and the other taxpayer agree that he or she will reconcile all APTC paid and you are not taking the PTC, enter -0- on line 1. Then check the “**Yes**” box on line 9 and follow the instructions for [Line 9](#) and [Part IV](#). (Specifically, in the instructions for Part IV, see *Policy amounts allocated 100% in either Allocation Situation 1. Taxpayers divorced or legally separated in 2020 or Allocation Situation 4. Other situations where a policy is shared between two tax families.*)

### Line 2a

Enter your modified AGI on line 2a. Use the worksheet next to figure your modified AGI using information from your tax return.

#### Worksheet 1-1. Taxpayer's Modified AGI—Line 2a

|  |          |
|--|----------|
| 1. Enter your adjusted gross income (AGI)* from Form 1040, 1040-SR, or 1040-NR, line 11 . . . . .                                    | 1. _____ |
| 2. Enter any tax-exempt interest from Form 1040, 1040-SR, or 1040-NR, line 2a . . . . .  | 2. _____ |
| 3. Enter any amounts from Form 2555, lines 45 and 50 . . . . .   | 3. _____ |
| 4. <b>Form 1040 or 1040-SR filers:</b> If line 6a is more than line 6b, subtract line 6b from line 6a and enter the result . . . . . | 4. _____ |
| 5. Add lines 1 through 4. Enter here and on Form 8962, line 2a . . . . .   | 5. _____ |

*\*If you are filing Form 8814 and the amount on Form 8814, line 4, is more than \$1,100, you must enter certain amounts from that form on Worksheet 1-2. See Form 8814 under [Line 2b](#) below.*

### Line 2b

Enter on line 2b the combined modified AGI for your dependents who are required to file an income tax return because their income meets the income tax return filing threshold. Use [Worksheet 1-2](#) to figure these dependents' combined modified AGI. Do not include the modified AGI of dependents who are filing a tax return only to claim a refund of tax withheld or estimated tax.

**Form 8814.** If you are filing Form 8814, Parents' Election To Report Child's Interest and Dividends, and the amount on Form 8814, line 4, is more than \$1,100, you must include on line 1 of [Worksheet 1-2](#) the sum of the tax-exempt interest from Form 8814, line 1b; the lesser of Form 8814, line 4 or line 5; and any nontaxable social security benefits your child received.

#### Worksheet 1-2. Dependents' Combined Modified AGI—Line 2b

|   |          |
|---|----------|
| 1. Enter the AGI* for your dependents from Form 1040, 1040-SR, or 1040-NR, line 11 . . . . .  | 1. _____ |
| 2. Enter any tax-exempt interest for your dependents from Form 1040, 1040-SR, or 1040-NR, line 2a . . . . .   | 2. _____ |
| 3. Enter any amounts for your dependents from Form 2555, lines 45 and 50 . . . . .  | 3. _____ |
| 4. <b>For each dependent filing Form 1040 or 1040-SR:</b> If line 6a is more than line 6b, subtract line 6b from line 6a and enter the result . . . . . | 4. _____ |
| 5. Add lines 1 through 4. Enter here and on Form 8962, line 2b . . . . .  | 5. _____ |

*\*Only include your dependents who are required to file an income tax return because their income meets the income tax return filing threshold.*

### Line 3

Add the amounts on lines 2a and 2b. Combine them even if one or both of them are negative. If the total is less than zero, enter -0- on line 3.

### Line 4

Check the box to indicate your state of residence in 2020. Enter on line 4 the amount from [Table 1-1](#), [1-2](#), or [1-3](#) that represents the federal poverty line for your state of residence for the family size you entered on line 1 of Form 8962. (For 2020, the 2019 federal poverty lines are used for this purpose and are shown below.) If you moved during 2020 and you lived in Alaska and/or

Hawaii, or you are filing jointly and you and your spouse lived in different states, use the table with the higher dollar amounts for your family size.

**Table 1-1. Federal Poverty Line for the 48 Contiguous States and the District of Columbia**

| IF your Family Size* from Form 8962, line 1, was . . . | THEN enter the amount below on Form 8962, line 4 . . . |
|--|--|
| 1  | \$12,490   |
| 2  | \$16,910   |
| 3  | \$21,330   |
| 4  | \$25,750   |
| 5  | \$30,170   |
| 6  | \$34,590   |
| 7  | \$39,010   |
| 8  | \$43,430   |

*\*If your family size was more than 8 people, add \$4,420 for each additional person. For example, if your family size is 11, you have 3 additional people. Multiply \$4,420 by 3 and add the result of \$13,260 to \$43,430. Enter the result of \$56,690 on Form 8962, line 4.*

**Table 1-2. Federal Poverty Line for Alaska**

| IF your Family Size* from Form 8962, line 1, was . . . | THEN enter the amount below on Form 8962, line 4 . . . |
|--|--|
| 1  | \$15,600   |
| 2  | \$21,130   |
| 3  | \$26,660   |
| 4  | \$32,190   |
| 5  | \$37,720   |
| 6  | \$43,250   |
| 7  | \$48,780   |
| 8  | \$54,310   |

*\*If your family size was more than 8 people, add \$5,530 for each additional person. For example, if your family size is 11, you have 3 additional people. Multiply \$5,530 by 3 and add the result of \$16,590 to \$54,310. Enter the result of \$70,900 on Form 8962, line 4.*

**Table 1-3. Federal Poverty Line for Hawaii**

| IF your Family Size* from Form 8962, line 1, was . . . | THEN enter the amount below on Form 8962, line 4 . . . |
|--|--|
| 1  | \$14,380   |
| 2  | \$19,460   |
| 3  | \$24,540   |
| 4  | \$29,620   |
| 5  | \$34,700   |
| 6  | \$39,780   |
| 7  | \$44,860   |
| 8  | \$49,940   |

*\*If your family size was more than 8, add \$5,080 for each additional person. For example, if your family size is 11, you have 3 additional people. Multiply \$5,080 by 3 and add the result of \$15,240 to \$49,940. Enter the result of \$65,180 on Form 8962, line 4.*

## Line 5

Figure your household income as a percentage of the federal poverty line using Worksheet 2.

### Worksheet 2. Household Income as a Percentage of the Federal Poverty Line

|  |          |
|--|----------|
| 1. Enter the amount from line 3 of Form 8962 . . . . .   | 1. _____ |
| 2. Enter the amount from line 4 of Form 8962 . . . . .   | 2. _____ |
| 3. Multiply the amount on line 2 by 4.0 . . . . .  | 3. _____ |
| 4. Is the amount on line 1 more than the amount on line 3?<br>• <b>Yes.</b> The amount on line 1 above is more than 400% of the federal poverty line. Enter 401 here and on line 5 of Form 8962.<br>• <b>No.</b> Divide the amount on line 1 above by the amount on line 2 above. <b>Do not</b> round; instead, multiply this number by 100 (to express it as a percentage) and then drop any numbers after the decimal point. For example, for 0.9984, enter the result as 99; for 1.8565, enter the result as 185; and for 3.997, enter the result as 399.* Enter the result here and on line 5 of Form 8962 . . . . . | 4. _____ |

\*If line 4 is below 100, see [Household income below 100% of the federal poverty line below](#).

## Line 6

If the amount on line 5 is at least 100% but no more than 400%, check the “**No**” box on line 6 and continue to line 7. If the amount on line 5 is less than 100%, see [Household income below 100% of the federal poverty line](#) next to determine if you qualify for the PTC. If the amount on line 5 is 401%, you are not eligible for the PTC. Check the “**Yes**” box and see [Household income above 400% of the federal poverty line](#) below for instructions on how to repay any APTC paid for your or your family’s coverage.

### Household income below 100% of the federal poverty line.

If the amount on line 5 is less than 100%, you can take the PTC if you meet the requirements under [Estimated household income at least 100% of the federal poverty line](#) next or [Alien lawfully present in the United States](#) below.

**Estimated household income at least 100% of the federal poverty line.** You may qualify for the PTC if your household income is less than 100% of the federal poverty line and you meet all of the following requirements.

- You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
- The Marketplace estimated at the time of enrollment that your household income would be at least 100% but not more than 400% of the federal poverty line for your family size for 2020.
- APTC was paid for the coverage for one or more months during 2020.
- You otherwise qualify as an [applicable taxpayer](#) (except for the federal poverty line percentage).



You do not meet the requirements under [Estimated household income at least 100% of the federal poverty line](#) if:

- No APTC was paid for your or your family’s coverage; or
- You, with intentional or reckless disregard for the facts, provided incorrect information to a Marketplace for the year of coverage. See Pub. 974 for more information.

**Alien lawfully present in the United States.** Certain aliens with household income below 100% of the federal poverty line are not eligible for Medicaid because of their immigration status. You may qualify for the PTC if your household income is less than 100% of the federal poverty line if you meet all of the following requirements.

- You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
- The enrolled individual is lawfully present in the United States and is not eligible for Medicaid because of immigration status.
- You otherwise qualify as an [applicable taxpayer](#) (except for the federal poverty line percentage).

If you meet all of the requirements under either [Estimated household income at least 100% of the federal poverty line](#) or [Alien lawfully present in the United States](#), check the “**No**” box on line 6 and continue to line 7.

If your household income is less than 100% of the federal poverty line and you do not meet the requirements under [Estimated household income at least 100% of the federal poverty line](#) or [Alien lawfully present in the United States](#), you are not an applicable taxpayer and you are not eligible to take the PTC. If APTC was paid for any individuals in your tax family, check the “**Yes**” box on line 6, skip lines 7 and 8, and go to line 9. However, if no APTC was paid for any individuals in your tax family, **stop**; do not complete Form 8962.

### Household income above 400% of the federal poverty line.

If the amount on line 5 is 401%, you cannot take the PTC. You must generally repay all APTC paid for individuals in your tax family (but see below for two exceptions). Skip lines 7 and 8, and complete lines 9 and 10 (and Part IV and/or Part V, if applicable). Complete only column (f) of line 11 or lines 12 through 23. Enter -0- on line 24, and enter the amount from line 11, column (f), or the total of lines 12 through 23, column (f), on lines 25, 27, and 29. Enter the amount from line 29 on your Schedule 2 (Form 1040), line 2.

If your household income is above 400% of the federal poverty line but you qualify for the alternative calculation for the year of marriage (see the instructions for [Line 9](#), later), you may be able to reduce the amount of APTC you have to repay.

If you enrolled an individual who is in another tax family for the year of coverage, the other tax family may be responsible to repay all or part of the APTC (see the instructions for [Line 9](#), later).

## Line 7

Enter on line 7 the decimal number from [Table 2](#) that applies to the amount you entered on line 5. This number is used to calculate your contribution amount.



**Table 2. Applicable Figure**



*If the amount on line 5 is less than 133, your applicable figure is 0.0206. If the amount on line 5 is between 300 through 400, your applicable figure is 0.0978.*

| IF Form 8962, line 5, is . . . | ENTER on Form 8962, line 7 . . . | IF Form 8962, line 5, is . . . | ENTER on Form 8962, line 7 . . . | IF Form 8962, line 5, is . . . | ENTER on Form 8962, line 7 . . . | IF Form 8962, line 5, is . . . | ENTER on Form 8962, line 7 . . . |
|--------------------------------|----------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|
| less than 133                  | 0.0206                           | 175                            | 0.0531                           | 218                            | 0.0714                           | 261                            | 0.0862                           |
| 133                            | 0.0309                           | 176                            | 0.0535                           | 219                            | 0.0717                           | 262                            | 0.0865                           |
| 134                            | 0.0315                           | 177                            | 0.0540                           | 220                            | 0.0721                           | 263                            | 0.0868                           |
| 135                            | 0.0321                           | 178                            | 0.0545                           | 221                            | 0.0725                           | 264                            | 0.0871                           |
| 136                            | 0.0327                           | 179                            | 0.0549                           | 222                            | 0.0728                           | 265                            | 0.0874                           |
| 137                            | 0.0333                           | 180                            | 0.0554                           | 223                            | 0.0732                           | 266                            | 0.0877                           |
| 138                            | 0.0339                           | 181                            | 0.0559                           | 224                            | 0.0735                           | 267                            | 0.0880                           |
| 139                            | 0.0345                           | 182                            | 0.0564                           | 225                            | 0.0739                           | 268                            | 0.0883                           |
| 140                            | 0.0351                           | 183                            | 0.0568                           | 226                            | 0.0743                           | 269                            | 0.0886                           |
| 141                            | 0.0357                           | 184                            | 0.0573                           | 227                            | 0.0746                           | 270                            | 0.0889                           |
| 142                            | 0.0364                           | 185                            | 0.0578                           | 228                            | 0.0750                           | 271                            | 0.0892                           |
| 143                            | 0.0370                           | 186                            | 0.0583                           | 229                            | 0.0753                           | 272                            | 0.0895                           |
| 144                            | 0.0376                           | 187                            | 0.0587                           | 230                            | 0.0757                           | 273                            | 0.0898                           |
| 145                            | 0.0382                           | 188                            | 0.0592                           | 231                            | 0.0761                           | 274                            | 0.0901                           |
| 146                            | 0.0388                           | 189                            | 0.0597                           | 232                            | 0.0764                           | 275                            | 0.0904                           |
| 147                            | 0.0394                           | 190                            | 0.0602                           | 233                            | 0.0768                           | 276                            | 0.0906                           |
| 148                            | 0.0400                           | 191                            | 0.0606                           | 234                            | 0.0771                           | 277                            | 0.0909                           |
| 149                            | 0.0406                           | 192                            | 0.0611                           | 235                            | 0.0775                           | 278                            | 0.0912                           |
| 150                            | 0.0412                           | 193                            | 0.0616                           | 236                            | 0.0779                           | 279                            | 0.0915                           |
| 151                            | 0.0417                           | 194                            | 0.0621                           | 237                            | 0.0782                           | 280                            | 0.0918                           |
| 152                            | 0.0421                           | 195                            | 0.0625                           | 238                            | 0.0786                           | 281                            | 0.0921                           |
| 153                            | 0.0426                           | 196                            | 0.0630                           | 239                            | 0.0789                           | 282                            | 0.0924                           |
| 154                            | 0.0431                           | 197                            | 0.0635                           | 240                            | 0.0793                           | 283                            | 0.0927                           |
| 155                            | 0.0436                           | 198                            | 0.0640                           | 241                            | 0.0797                           | 284                            | 0.0930                           |
| 156                            | 0.0440                           | 199                            | 0.0644                           | 242                            | 0.0800                           | 285                            | 0.0933                           |
| 157                            | 0.0445                           | 200                            | 0.0649                           | 243                            | 0.0804                           | 286                            | 0.0936                           |
| 158                            | 0.0450                           | 201                            | 0.0653                           | 244                            | 0.0807                           | 287                            | 0.0939                           |
| 159                            | 0.0455                           | 202                            | 0.0656                           | 245                            | 0.0811                           | 288                            | 0.0942                           |
| 160                            | 0.0459                           | 203                            | 0.0660                           | 246                            | 0.0815                           | 289                            | 0.0945                           |
| 161                            | 0.0464                           | 204                            | 0.0663                           | 247                            | 0.0818                           | 290                            | 0.0948                           |
| 162                            | 0.0469                           | 205                            | 0.0667                           | 248                            | 0.0822                           | 291                            | 0.0951                           |
| 163                            | 0.0474                           | 206                            | 0.0671                           | 249                            | 0.0825                           | 292                            | 0.0954                           |
| 164                            | 0.0478                           | 207                            | 0.0674                           | 250                            | 0.0829                           | 293                            | 0.0957                           |
| 165                            | 0.0483                           | 208                            | 0.0678                           | 251                            | 0.0832                           | 294                            | 0.0960                           |
| 166                            | 0.0488                           | 209                            | 0.0681                           | 252                            | 0.0835                           | 295                            | 0.0963                           |
| 167                            | 0.0493                           | 210                            | 0.0685                           | 253                            | 0.0838                           | 296                            | 0.0966                           |
| 168                            | 0.0497                           | 211                            | 0.0689                           | 254                            | 0.0841                           | 297                            | 0.0969                           |
| 169                            | 0.0502                           | 212                            | 0.0692                           | 255                            | 0.0844                           | 298                            | 0.0972                           |
| 170                            | 0.0507                           | 213                            | 0.0696                           | 256                            | 0.0847                           | 299                            | 0.0975                           |
| 171                            | 0.0512                           | 214                            | 0.0699                           | 257                            | 0.0850                           | 300 thru 400                   | 0.0978                           |
| 172                            | 0.0516                           | 215                            | 0.0703                           | 258                            | 0.0853                           |                                |                                  |
| 173                            | 0.0521                           | 216                            | 0.0707                           | 259                            | 0.0856                           |                                |                                  |
| 174                            | 0.0526                           | 217                            | 0.0710                           | 260                            | 0.0859                           |                                |                                  |

**Line 8a**

Multiply line 3 by line 7 and enter the result on line 8a, rounded to the nearest whole dollar amount.

**Line 8b**

Divide line 8a by 12.0 and enter the result on line 8b, rounded to the nearest whole dollar amount.

## Part II—Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit

### Line 9

Before you complete line 10, you must complete [Part IV](#) if you are [Allocating policy amounts](#) (see below) with another taxpayer and complete [Part V](#) if you want to use the [Alternative calculation for year of marriage](#) (see below). Both of these situations may apply to you, so be sure to read the rest of the instructions for [Line 9](#).

**Allocating policy amounts.** You need to allocate policy amounts (enrollment premiums, SLCSF premiums, and/or APTC) on a Form 1095-A between your tax family and another tax family if:

1. The policy covered at least one individual in your tax family and at least one individual in another tax family; and
2. Either:
  - a. You received a Form 1095-A for the policy that does not accurately represent the members of your tax family who were enrolled in the policy (meaning that it either lists someone who is not in your tax family or does not list a member of your tax family who was enrolled in the policy), or
  - b. The other tax family received a Form 1095-A for the policy that includes a member of your tax family.

If both (1) and (2) above apply, check the “**Yes**” box. For each policy to which (1) and (2) above apply, follow the instructions in [Table 3. Allocation of Policy Amounts—Line 9](#) to determine which allocation rule applies for that qualified health plan.

A qualified health plan may have covered at least one individual in your tax family and one individual not in your tax family if:

- You got divorced during the year,
- You are married but filing a separate return from your spouse,
- You or an individual in your tax family was enrolled in a qualified health plan by someone who is not part of your tax family (for example, your ex-spouse enrolled a child whom you are claiming as a dependent), or
- You or an individual in your tax family enrolled someone not part of your tax family in a qualified health plan (for example, you enrolled a child whom your ex-spouse is claiming as a dependent).

**Example.** One qualified health plan covers Bret, his spouse Paulette, and their daughter Sophia from January through August, and APTC is paid for the coverage of all three. Bret and Paulette divorce on December 10. Bret files a tax return using a head of household filing status and claims Sophia as a dependent. Paulette files a tax return using a filing status of single. Bret and Paulette must allocate the amounts from Form 1095-A for the months of January through December on their tax returns using the instructions in [Table 3. Allocation of Policy Amounts—Line 9](#).

**Multiple allocations in the same month.** If a qualified health plan covers individuals in your tax family and individuals in two or more other tax families for 1 or more months, see the rules in Pub. 974 under *Allocation of Policy Amounts Among Three or More Taxpayers*.

**Example.** One qualified health plan covers Bret, his spouse Paulette, and their daughter Sophia from January through August, and APTC is paid for the coverage of all three. Bret and Paulette divorce on August 26. Bret and Paulette each file a tax return using a filing status of single. Sophia is claimed as a dependent by her grandfather, Mike. Bret, Paulette, and Mike must allocate the amounts from Form 1095-A for the months of January through August on their tax returns using the worksheets and instructions in Pub. 974 because amounts on Form 1095-A must be allocated among three tax families (Bret’s, Paulette’s, and Mike’s).

**Multiple allocations in different months.** You may need to allocate policy amounts under a qualified health plan using different rules for different months if you had a change in circumstance. Use [Table 3](#) to determine which allocation rule to use for each month.

**Example.** Henry enrolled himself, his spouse Cara, and their two dependent children, Heidi and Matt, in a policy for 2020 purchased through a Marketplace. APTC was paid on behalf of each. The couple divorced on June 30. Henry purchased different health insurance for himself through a Marketplace for July through December. Cara also purchased different health insurance through a Marketplace for July through December for herself, Heidi, and Matt. Henry claims Heidi as a dependent on his tax return. Cara claims Matt as a dependent on her tax return. According to [Table 3](#), Henry and Cara will allocate the amounts from the policy for January through June on line 30 using the rules under [Allocation Situation 1. Taxpayers divorced or legally separated in 2020](#), later. For the months Henry and Cara were divorced (July through December), they will allocate the amounts from the policy on line 31 using the rules under [Allocation Situation 4. Other situations where a policy is shared between two tax families](#), later.

**Alternative calculation for year of marriage.** If you got married during 2020 and APTC was paid for an individual in your tax family, you may want to use the alternative calculation for year of marriage, an optional calculation that may allow you to repay less excess APTC than you would under the general rules. Follow the instructions in [Table 4. Alternative Calculation for Year of Marriage Eligibility](#) to determine whether you qualify for the alternative calculation.

If you need to allocate policy amounts and are also using the alternative calculation for year of marriage, follow the instructions in [Table 3](#) and complete Part IV before you follow the instructions for [Table 4](#) and complete Part V.

If you are **not** allocating policy amounts and not using the alternative calculation for year of marriage, check the “**No**” box and go to line 10.

**Table 3. Allocation of Policy Amounts—Line 9**

|  |  |
|--|--|
| <p>Follow Steps 1–3 below to determine which allocation rule to use in <a href="#">Part IV—Allocation of Policy Amounts</a>, later, to allocate the policy amounts for each qualified health plan identified in the instructions for line 9. For each policy, if your answer directs you to Part IV, skip directly to the section of the Part IV instructions identified. You do not need to complete the remaining steps below.</p>   |  |
| <p><b>STEP 1</b></p>   |  |
| <p><b>IF</b></p> <ul style="list-style-type: none"> <li>• You divorced or legally separated from a spouse in 2020; and</li> <li>• For one or more months of marriage, the policy covered at least one individual in your tax family <b>AND</b> at least one individual in your former spouse's tax family...</li> </ul> <p><b>THEN</b> allocate using the rules in <a href="#">Allocation Situation 1. Taxpayers divorced or legally separated in 2020</a> in <a href="#">Part IV—Allocation of Policy Amounts</a>, later. Otherwise, continue to Step 2.</p>  |  |
| <p><b>STEP 2</b></p>   |  |
| <p><b>IF</b></p> <ul style="list-style-type: none"> <li>• You were married at the end of 2020 but are filing a separate return from your spouse; and</li> <li>• The policy covered at least one individual in your tax family <b>AND</b> at least one individual in your spouse's tax family*...</li> </ul> <p><b>THEN</b> allocate using the rules in <a href="#">Allocation Situation 2. Taxpayers married at year end but filing separate returns</a> in <a href="#">Part IV—Allocation of Policy Amounts</a>, later. Otherwise, continue to Step 3.</p> <p><i>*Also follow these instructions if you meet the rules in <a href="#">Exception 1—Certain married persons living apart</a> or <a href="#">Exception 2—Victim of domestic abuse or spousal abandonment</a> under Married taxpayers, earlier, and a policy covered at least one individual in your tax family <b>AND</b> at least one individual in your spouse's tax family.</i></p> |  |
| <p><b>STEP 3</b></p>   |  |
| <p><b>IF</b></p> <ul style="list-style-type: none"> <li>• No APTC was paid for the policy...</li> </ul> <p><b>THEN</b> allocate using the rules in <a href="#">Allocation Situation 3. No APTC</a> in <a href="#">Part IV—Allocation of Policy Amounts</a>. Otherwise, allocate using the rules in <a href="#">Allocation Situation 4. Other situations where a policy is shared between two tax families</a> in <a href="#">Part IV—Allocation of Policy Amounts</a>, later.</p>  |  |

**Table 4. Alternative Calculation for Year of Marriage Eligibility**

|   |   |
|---|---|
| <p>Answer questions 1–5 below to determine whether you may be eligible to elect the alternative calculation for year of marriage.</p> |   |
| <p><b>1</b></p>   | <p>Were you and your spouse each unmarried on January 1, 2020?</p> <p><input type="checkbox"/> <b>Yes.</b> Continue to the next question in this table.</p> <p><input type="checkbox"/> <b>No.</b> You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “<b>No</b>” box on line 9 and continue to line 10. If you completed Part IV, check the “<b>No</b>” box on line 10, skip line 11, and continue to <a href="#">Lines 12 Through 23—Monthly Calculation</a>, later.</p>   |
| <p><b>2</b></p>   | <p>Were you married on December 31, 2020?</p> <p><input type="checkbox"/> <b>Yes.</b> Continue to the next question in this table.</p> <p><input type="checkbox"/> <b>No.</b> You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “<b>No</b>” box on line 9 and continue to line 10. If you completed Part IV, check the “<b>No</b>” box on line 10, skip line 11, and continue to <a href="#">Lines 12 Through 23—Monthly Calculation</a>, later.</p>  |
| <p><b>3</b></p>   | <p>Are you filing a joint return with your spouse for 2020?</p> <p><input type="checkbox"/> <b>Yes.</b> Continue to the next question in this table.</p> <p><input type="checkbox"/> <b>No.</b> You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “<b>No</b>” box on line 9 and continue to line 10. If you completed Part IV, check the “<b>No</b>” box on line 10, skip line 11, and continue to <a href="#">Lines 12 Through 23—Monthly Calculation</a>, later.</p>  |
| <p><b>4</b></p>   | <p>Was anyone in your tax family enrolled in a qualified health plan before your first full month of marriage? (For example, if you got married on July 15, your first full month of marriage was August.)</p> <p><input type="checkbox"/> <b>Yes.</b> Continue to the next question in this table.</p> <p><input type="checkbox"/> <b>No.</b> You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “<b>No</b>” box on line 9 and continue to line 10. If you completed Part IV, check the “<b>No</b>” box on line 10, skip line 11, and continue to <a href="#">Lines 12 Through 23—Monthly Calculation</a>, later.</p>   |
| <p><b>5</b></p>   | <p>Was APTC paid for anyone in your tax family during 2020?</p> <p><input type="checkbox"/> <b>Yes.</b> You are eligible to elect the alternative calculation for year of marriage if excess APTC was paid during 2020.</p> <ul style="list-style-type: none"> <li>• If you entered 400 or less on Form 8962, line 5, continue to <a href="#">Worksheet 3</a> to determine whether excess APTC was paid during 2020.</li> <li>• If you entered 401 on Form 8962, line 5, excess APTC was paid, and you are eligible for the alternative calculation. Do not complete Worksheet 3. Instead, see <i>Alternative Calculation for Year of Marriage</i> in Pub. 974 to determine if electing the alternative calculation reduces your repayment amount.</li> </ul> <p><input type="checkbox"/> <b>No.</b> You are not eligible to elect the alternative calculation. Do not complete Part V. If you did not complete Part IV, check the “<b>No</b>” box on line 9 and continue to line 10. If you completed Part IV, check the “<b>No</b>” box on line 10, skip line 11, and continue to <a href="#">Lines 12 Through 23—Monthly Calculation</a>, later.</p> |

### Worksheet 3. Alternative Calculation for Marriage Eligibility

If you checked the "Yes" box on line 5 of Table 4 and you entered 400 or less on Form 8962, line 5, complete this worksheet to determine whether you received excess APTC in 2020.

**A** If Part IV—Allocation of Policy Amounts applies to you, do **not** complete this worksheet until you have completed Part IV.

| Monthly Calculation | (a) Form(s) 1095-A, lines 21–32, column A* | (b) Form(s) 1095-A, lines 21–32, column B** | (c) Form 8962, line 8b | (d) Subtract column (c) from column (b) | (e) Smaller of column (a) or column (d) | (f) Form(s) 1095-A, lines 21–32, column C*** |
|---------------------|--|---|------------------------|---|---|--|
| 1 January           |  |   |                        |   |   |  |
| 2 February          |  |   |                        |   |   |  |
| 3 March             |  |   |                        |   |   |  |
| 4 April             |  |   |                        |   |   |  |
| 5 May               |  |   |                        |   |   |  |
| 6 June              |  |   |                        |   |   |  |
| 7 July              |  |   |                        |   |   |  |
| 8 August            |  |   |                        |   |   |  |
| 9 September         |  |   |                        |   |   |  |
| 10 October          |  |   |                        |   |   |  |
| 11 November         |  |   |                        |   |   |  |
| 12 December         |  |   |                        |   |   |  |

13 **Totals:** Enter the total of column (e), lines 1–12, and the total of column (f), lines 1–12 . . . . .

14 Is line 13, column (e), less than line 13, column (f)?  
 **Yes.** Excess APTC was paid in 2020. You are eligible to elect the alternative calculation. See *Alternative Calculation for Year of Marriage* in Pub. 974 to determine if electing the alternative calculation reduces your repayment amount.  
 **No.** There was no excess APTC paid in 2020. You are not eligible to elect the alternative calculation. Do not complete Part V.  
 • If you did not complete Part IV, check the "No" box on line 9 and continue to line 10. If you are required to use lines 12 through 23 of Form 8962, enter the amounts from lines 1 through 12 of this worksheet in the lines for the corresponding months and columns on Form 8962.  
 • If you completed Part IV, check the "No" box on line 10, skip line 11, and enter the amounts from lines 1 through 12 of this worksheet in the lines for the corresponding months and columns of lines 12 through 23 of Form 8962.

\*See [Column \(a\)](#) under Lines 12 Through 23—Monthly Calculation, later, for instructions for the amounts to enter on lines 1 through 12, column (a), of this worksheet. These are the amounts of the monthly premiums reported on Form(s) 1095-A, lines 21 through 32, column A.

\*\*See [Column \(b\)](#) under Lines 12 Through 23—Monthly Calculation, later, for instructions for the amounts to enter on lines 1 through 12, column (b), of this worksheet. These are the amounts of the monthly premium for the applicable SLCSPP reported on Form(s) 1095-A, lines 21 through 32, column B.

\*\*\*See [Column \(f\)](#) under Lines 12 Through 23—Monthly Calculation, later, for instructions for the amounts to enter on lines 1 through 12, column (f), of this worksheet. These are the amounts of the monthly APTC reported on Form(s) 1095-A, lines 21 through 32, column C.

#### Line 10

Read the following instructions to determine whether you should check the "Yes" box or "No" box and then proceed as directed.

**TIP** If you were enrolled in a qualified health plan for fewer than 12 months during 2020, check the "No" box and continue to lines 12 through 23.

**Full-year coverage with no changes on Form 1095-A, Part III, column A or B.** Check the "Yes" box and continue to line 11 if **all** of the following apply for each qualified health plan you or a member of your tax family was enrolled in for 2020. Otherwise, check the "No" box and continue to lines 12 through 23.

- You were enrolled in the qualified health plan for all 12 months during 2020.
- Your enrollment premium was the same for every month of 2020. Your enrollment premium is reported in Part III, column A, lines 21 through 32, of Form 1095-A.
- Your SLCSPP premium is the same for every month of 2020. Your SLCSPP premium is reported in Part III, column B, lines 21 through 32, of Form 1095-A. But see [Missing or incorrect SLCSPP premium on Form 1095-A](#) next.

#### Missing or incorrect SLCSPP premium on Form 1095-A.

Generally, there are two situations where your SLCSPP premium may not be accurately reflected on your Form 1095-A. If either of these two situations applies to you, or if you have reason to believe the Marketplace reported the wrong applicable SLCSPP premium, you must determine the correct applicable SLCSPP premium for every month. If the correct applicable SLCSPP premium is not the same for every month of 2020, check the "No" box and continue to lines 12 through 23. The two situations in which your SLCSPP may not be accurately reflected on your Form 1095-A are the following.

1. **No APTC was paid for your coverage.** If no APTC was paid for your or your family member's coverage, the SLCSPP premium reported in Part III, column B, lines 21 through 32, of Form 1095-A may be wrong, left blank, or reported as -0-. To determine your applicable SLCSPP premium for each month, see Pub. 974 or, if you enrolled through the federally facilitated Marketplace, go to [HealthCare.gov/Tax-Tool/](https://www.healthcare.gov/tax-tool/). If your correct applicable SLCSPP premium is not the same for all 12 months, check the "No" box and continue to lines 12 through 23.
2. **Change in circumstances affecting SLCSPP.** If you had a change in circumstances during 2020 that you did not report to the Marketplace, the SLCSPP premium reported in Part III,

column B, lines 21 through 32, of Form 1095-A may be wrong. Examples of changes in circumstances that may affect your applicable SLCSP premium include the following.

- You enrolled an individual newly added to your tax family during 2020 (for example, a newborn).
- An individual in your tax family was enrolled in your qualified health plan for some but not all of 2020.
- An individual in your coverage family became eligible for or lost eligibility for employer coverage or other MEC during 2020.
- You are including an individual in your tax family for the year of coverage, but you did not indicate to the Marketplace at enrollment that you would do so.
- You indicated to the Marketplace at enrollment that you would include an individual in your tax family for the year of coverage, but you are not doing so.
- An individual enrolled in the coverage died during 2020.
- You moved during 2020.

If any of the above apply and you did not notify the Marketplace or if you have reason to believe the Marketplace reported the wrong applicable SLCSP premium, determine the correct applicable SLCSP premium for the months affected. See Pub. 974 for information on determining the correct applicable SLCSP premium or, if you enrolled through the federally facilitated Marketplace, go to [HealthCare.gov/Tax-Tool/](https://www.healthcare.gov/tax-tool/). If your correct applicable SLCSP premium is not the same for all 12 months, check the “No” box and continue to lines 12 through 23.

**Example 1.** Lee receives a Form 1095-A, which reports in column A \$1,000 on lines 21 through 32 for January through December and in column B \$900 on lines 21 through 31 for January through November. However, column B reports \$650 for December on line 32 because an individual included in Lee's coverage family was eligible for MEC (other than coverage in the individual market) for the entire month of December and Lee reported the change to the Marketplace. Lee checks the “No” box on line 10 and completes lines 12 through 23.

**Example 2.** Mike and Susan enroll together in a qualified health plan through the Marketplace. They do not have a change in circumstance during the year. They receive a Form 1095-A, which reports \$800 for the enrollment premiums in column A on lines 21 through 32 and \$850 for the applicable SLCSP premium in column B on lines 21 through 32 for January through December. They check the “Yes” box on Form 8962, line 10, and complete line 11 because for each of columns A and B there is an amount for all 12 months and the amounts did not change.

**Example 3.** The facts are the same as in [Example 2](#) above, but starting on August 1, Mike is eligible for MEC (other than individual market coverage) and does not notify the Marketplace. Because Mike is eligible for other MEC, their coverage family changed starting in August. As a result, the applicable SLCSP premium reported on Form 1095-A for August through December is incorrect and Mike and Susan must determine the correct applicable SLCSP premium for these months by following the instructions in Pub. 974. Because the SLCSP premium is not the same for every month of the year, Mike and Susan cannot use line 11 and must complete lines 12 through 23 on Form 8962. Mike and Susan check the “No” box on Form 8962, line 10, and complete lines 12 through 23. They determine that the applicable SLCSP premium for the coverage family of one (Susan) for August through December is \$400 each month. Mike and Susan enter \$850 in Form 8962, lines 12 through 18, column (b), and \$400 in lines 19 through 23, column (b).

## Line 11—Annual Totals

**Note.** If you checked the “Yes” box on line 10 and you are completing line 11, **do not** complete lines 12 through 23. Once you complete line 11, skip to line 24.

If you checked the “Yes” box on line 6 or you are using filing status married filing separately and [Exception 2—Victim of domestic abuse or spousal abandonment](#), earlier, does not apply to you, skip columns (a) through (e), and complete only [Column \(f\)](#), later.

**Column (a).** Enter the annual enrollment premiums from Form 1095-A, line 33, column A. If you have more than one Form 1095-A, add the amounts together and enter the total on Form 8962, line 11, column (a). This amount is the total of your enrollment premiums for the year, including the portion paid by APTC.



*If you or a member of your tax family was enrolled in a stand-alone dental plan that provided pediatric benefits, the portion of the dental plan premiums for the pediatric benefits will be included in the amount in column A on the Form 1095-A that reports the coverage in your primary health plan. If your plan covered benefits that are not essential health benefits, such as adult dental or vision benefits, the amount in this column will be reduced by the premiums for the nonessential benefits.*

**Column (b).** Enter the annual applicable SLCSP premium from Form 1095-A, line 33, column B. If you have more than one Form 1095-A, enter the amount as follows.

- If individuals in your coverage family enrolled in more than one policy in the same state, you will receive a Form 1095-A for each policy. The Marketplace should have entered the same SLCSP premium, which applies to all members of your coverage family, on each Form 1095-A. Enter the amount from column B of **only one** Form 1095-A—do not add the amounts from each form. However, if you got married in December of 2020 and you and your spouse, or individuals in your and your spouse's tax family, were enrolled in separate qualified health plans, add the amounts from Form 1095-A, column B, for each plan (or plans) and enter the total. If you got married in a month other than December, your applicable SLCSP premium may not be the same for every month. If it is not the same for every month, you cannot use line 11.
- For individuals enrolled in qualified health plans in different states, add together the amounts from column B of the Forms 1095-A from each state and enter the total on Form 8962, line 11, column (b).

**Need to determine applicable SLCSP premium.** If, during 2020, your coverage family changed or you moved and you did not notify the Marketplace, or if no APTC was paid, the applicable SLCSP premium reported on your Form(s) 1095-A may be missing or incorrect. See [Missing or incorrect SLCSP premium on Form 1095-A](#) under [Line 10](#), earlier, to determine your correct applicable SLCSP premium to enter in column (b).

**Column (c).** Enter the amount from line 8a of Form 8962.

**Column (d).** Subtract the amount in column (c) from the amount in column (b). If the result is zero or less, enter -0-.

**Column (e).** Enter the lesser of the amount in column (a) or the amount in column (d).

**Note.** Do not follow this instruction if you were provided a qualified small employer health reimbursement arrangement (QSEHRA). See [Qualified Small Employer Health Reimbursement Arrangement](#) in Pub. 974 for instructions on how to figure the amounts to enter in column (e). If the QSEHRA was unaffordable for a month and you had to reduce the monthly PTC (but not below -0-) by the monthly permitted benefit amount, enter “QSEHRA” in the top margin on page 1 of Form 8962 to explain your entry and avoid delay in the processing of your return.

**Column (f).** Enter the APTC amount from Form 1095-A, line 33, column C. If you have more than one Form 1095-A, add the

amounts together and enter the total on Form 8962, line 11, column (f).

**Not an applicable taxpayer.** If you are not an applicable taxpayer because your household income is over 400% of the federal poverty line or you are using filing status married filing separately and [Exception 2—Victim of domestic abuse or spousal abandonment](#), earlier, does not apply to you, you cannot take the PTC. You must repay some or all of the APTC entered on line 11, column (f). To complete the rest of the form, skip lines 12 through 23, enter -0- on line 24, and enter the amount from line 11, column (f), on lines 25 and 27. Then complete lines 28 (if it applies to you) and 29. Enter the amount from line 29 on your Schedule 2 (Form 1040), line 2.

## Lines 12 Through 23—Monthly Calculation

**Note.** If you checked the “No” box on line 10 and you are completing lines 12 through 23, **do not** complete line 11.

If you checked the “Yes” box on line 6 and you did not elect the alternative calculation for year of marriage **or** you are using filing status married filing separately and [Exception 2—Victim of domestic abuse or spousal abandonment](#), earlier, does not apply to you, skip columns (a) through (e), and complete only [Column \(f\)](#), later.

If you or a family member isn't lawfully present in the United States and was enrolled in a qualified health plan, see *Individuals Not Lawfully Present in the United States Enrolled in a Qualified Health Plan* in Pub. 974 for instructions on what amounts to enter in columns (a) and (b).

**Column (a).** Enter on lines 12 through 23, column (a), the amount of the monthly premiums reported on Form 1095-A, lines 21 through 32, column A, for the corresponding month. If you have more than one Form 1095-A affecting a particular month, add the amounts together for that month and enter the total on the appropriate line on Form 8962, column (a). This amount is the total of your enrollment premiums for the month, including the portion paid by APTC.

If a -0- appears on Form 1095-A, on any of lines 21 through 32, column A, you are not entitled to a monthly credit amount for that month because enrollment premiums were not paid. Enter -0- on the appropriate line on Form 8962, column (a).

If you completed [Part IV—Allocation of Policy Amounts](#) for any Form 1095-A, add the monthly premium amounts allocated to you, if any, using the allocation percentage you entered on Form 8962, lines 30 through 33, column (e), to the monthly premiums for other policies that you did not allocate.

**Column (b).** Enter on lines 12 through 23, column (b), the amount of the monthly applicable SLCSPP premium reported on Form 1095-A, lines 21 through 32, column B, for the corresponding month. If you have more than one Form 1095-A showing coverage in a particular month, use the following rules to determine the amounts to enter on Form 8962, column (b), for that month.

- If individuals in your coverage family enrolled in separate policies in the same state, you will receive a Form 1095-A for each policy. The Marketplace should have entered the same SLCSPP premium, which applies to all members of your coverage family for coverage that month, on each Form 1095-A. Enter the amount from column B of **only one** Form 1095-A—do not add the amounts from each form. Enter this amount on Form 8962, lines 12 through 23, column (b). See [Marriage in 2020](#), later, if you got married during 2020.
- If individuals in your coverage family enrolled in qualified health plans in different states, add together the amounts from column B of Forms 1095-A from each state and enter the total on Form 8962, lines 12 through 23, column (b).
- If you completed [Part IV—Allocation of Policy Amounts](#) for any Form 1095-A, add the amounts of applicable SLCSPP

premium allocated to you, if any, using the allocation percentage you entered on Form 8962, lines 30 through 33, column (f), to the applicable SLCSPP premium shown on the Form(s) 1095-A that you did not allocate.

- If a -0- appears on Form 1095-A, on any of lines 21 through 32, column A, you are not entitled to a monthly credit amount for that month because your enrollment premiums were not paid. Enter -0- on the appropriate line on Form 8962, column (b).

**Need to determine correct applicable SLCSPP premium.** If, during 2020, your coverage family changed or you moved and you did not notify the Marketplace, or if no APTC was paid, the applicable SLCSPP premium reported on your Form(s) 1095-A may be missing or incorrect. See [Missing or incorrect SLCSPP premium on Form 1095-A](#) under [Line 10](#), earlier, to determine your correct applicable SLCSPP premium to enter in column (b).

**Marriage in 2020.** If you got married in 2020 and you and your spouse (or individuals in your tax family) were enrolled in separate qualified health plans during months prior to your first full month of marriage, add together the amounts from Form 1095-A, column B, for each plan (or plans) and enter the total. If you completed [Part V—Alternative Calculation for Year of Marriage](#), use the instructions in Pub. 974 for the entries to make for your pre-marriage months.

**Column (c).** If you did not complete [Part V—Alternative Calculation for Year of Marriage](#), enter on lines 12 through 23, column (c), your monthly contribution amount from line 8b. If columns (a) and (b) of any of lines 12 through 23 are blank, leave column (c) of the corresponding line blank.

If you completed [Part V—Alternative Calculation for Year of Marriage](#), see Pub. 974 for how to complete column (c).

**Column (d).** Subtract the amount in column (c) from the amount in column (b). If the result is zero or less, enter -0-.

**Column (e).** Enter for each month the lesser of the amount in column (a) or the amount in column (d) for that month.

**Note.** Do not follow this instruction if you were provided a qualified small employer health reimbursement arrangement (QSEHRA). See *Qualified Small Employer Health Reimbursement Arrangement* in Pub. 974 for instructions on how to figure the amounts to enter in column (e). If the QSEHRA was unaffordable for a month and you had to reduce the monthly PTC (but not below -0-) by the monthly permitted benefit amount, enter “QSEHRA” in the top margin on page 1 of Form 8962 to explain your entry and avoid delay in the processing of your return.

**Column (f).** Enter on lines 12 through 23, column (f), the amount of the monthly APTC reported on Form 1095-A, lines 21 through 32, column C. If you have more than one Form 1095-A affecting a particular month, add the amounts together for that month and enter the total on the appropriate line on Form 8962, column (f).

If you completed [Part IV—Allocation of Policy Amounts](#) for any Form 1095-A, include only the amounts of the monthly APTC allocated to you, if any, using the allocation percentage you entered on Form 8962, lines 30 through 33, column (g), and combine that amount with the amounts of the monthly APTC for other policies that you did not allocate.

**Not an applicable taxpayer.** If you are not an applicable taxpayer because your household income is over 400% of the federal poverty line or you are using filing status married filing separately and [Exception 2—Victim of domestic abuse or spousal abandonment](#), earlier, does not apply to you, then you must repay all of the total APTC entered on lines 12 through 23, column (f) (unless the alternative calculation for year of marriage rule applies to you and you are able to reduce your repayment amount, or you are filing married filing separately and a repayment limitation applies). To complete the rest of the form,

enter -0- on line 24, and enter the total of lines 12 through 23, column (f), on lines 25 and 27. Then complete lines 28 (if it applies to you) and 29. Enter the amount from line 29 on your Schedule 2 (Form 1040), line 2.

**Example.** Melissa and Ryan have been married since 2018 and have no dependents. They were enrolled under the same qualified health plan from January through April 2020. Monthly APTC of \$1,000 was paid for them, for a total of \$4,000. In April, Ryan took a new job and enrolled in his employer's coverage for May through December. Melissa enrolled in single coverage from May through December. Monthly APTC of \$400 was paid for her, for a total of \$3,200. Melissa and Ryan lived apart for most of 2020 and each filed a separate return for 2020.

At the end of the year, Melissa or Ryan will receive a Form 1095-A reporting their coverage for January through April. The recipient of the Form 1095-A should provide a copy to the non-recipient. Melissa will receive a Form 1095-A reporting her coverage for May through December. Because Melissa and Ryan are married but not filing a joint return and neither [Exception 1—Certain married persons living apart](#) nor [Exception 2—Victim of domestic abuse or spousal abandonment](#) applies, neither spouse is allowed a PTC for 2020. According to [Table 3](#), they follow the rules under [Allocation Situation 2. Taxpayers married at year end but filing separate returns](#) to allocate the APTC for the January through April coverage. (The other policy amounts are not allocated because neither spouse is allowed a PTC.) Under [Allocation Situation 2. Taxpayers married at year end but filing separate returns](#), 50% of the \$4,000 APTC (\$2,000) is allocated to Melissa and 50% is allocated to Ryan. Melissa must add this amount to her APTC of \$3,200 for her single coverage. She enters the monthly amounts on lines 12 through 23, column (f) (\$500 for January through April and \$400 for May through December), and the total of \$5,200 on Form 8962, lines 25 and 27. She then completes lines 28 (if it applies to her) and 29. Melissa enters the amount from line 29 on the applicable line of her tax return.

Ryan enters the monthly amounts allocated to him on Form 8962, lines 12 through 15, column (f) (\$500 for January through April), and the total of \$2,000 on lines 25 and 27. He then completes lines 28 (if it applies to him) and 29. Ryan enters the amount from line 29 on the applicable line of his tax return.

**Individual you enrolled who is not included in a tax family.** If you indicated to the Marketplace at enrollment that you would claim an individual in your tax family for the year of coverage but the individual is not included in any tax family for the year of coverage, you must report any APTC paid for that individual's coverage. Follow the rules in [Column \(f\)](#), earlier, to report this APTC.

### Line 24

Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total.

### Line 25

Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total.

### Line 26

If line 24 is greater than line 25, subtract line 25 from line 24 and enter the result on line 26. This result is the amount of your PTC that is more than the APTC paid, your net PTC. This amount will reduce the amount of tax you must pay with your tax return or increase your refund. Also enter the amount from line 26 on Schedule 3 (Form 1040), line 8. Skip lines 27 through 29. If line 24 is equal to line 25, enter -0- on line 26 and skip lines 27 through 29.

If you elected the alternative calculation for year of marriage, and line 24 is greater than line 25, enter -0- on line 26 and skip lines 27 through 29.

If line 25 is greater than line 24, leave line 26 blank and go to Part III.

## Part III—Repayment of Excess Advance Payment of the Premium Tax Credit

Complete this part to figure the amount of excess APTC you must repay.

### Line 27

If line 25 is greater than line 24, subtract line 24 from line 25 and enter the result.

### Line 28

The excess APTC you must repay may be limited to the amounts in [Table 5](#). Enter the appropriate amount from Table 5 on line 28. If you were married at the end of 2020 but are filing separately from your spouse, the repayment limitations shown in Table 5 apply to you and your spouse separately based on the household income reported on each return.

**Excess APTC not limited to amounts in Table 5.** In the following situations, excess APTC is not limited to the amounts in Table 5. A different repayment limitation may apply or there may be no repayment limitation.

Leave line 28 blank and enter the amount from line 27 on line 29 if any of the following situations apply to you.

- Your entry on Form 8962, line 5, is 400 or 401.
- You are electing to take the Health Coverage Tax Credit (HCTC) on Form 8885 for at least 1 month of the year for individual(s) who were also enrolled in a qualified health plan offered through the Marketplace for at least 1 other month of the year and you did not receive the benefit of advance monthly payments of the HCTC for those individual(s) during the year.
- You are electing to take the HCTC on Form 8885 for at least 1 month of the year for individual(s) who were also enrolled in a qualified health plan offered through the Marketplace for at least 1 other month of the year, you also received the benefit of advance monthly payments of the HCTC (as shown on Form 1099-H) for those individual(s) during the year, and your entry on Form 8962, line 24, is zero or blank.
- You are not electing to take the HCTC on Form 8885 for any month of the year, you received the benefit of advance monthly payments of the HCTC for at least 1 month of the year for individual(s) who were also enrolled in a qualified health plan offered through the Marketplace for at least 1 other month of the year, and your entry on Form 8962, line 24, is zero or blank.

If you received the benefit of advance monthly payments of the HCTC for 1 or more months of the year for individual(s) who were also enrolled in a qualified health plan offered through the Marketplace for at least 1 other month of the year and your entry on Form 8962, line 24, is greater than zero, follow the special instructions for line 28 under *Participants in a Health Insurance Marketplace* in the Form 8885 instructions. Complete Form 8885 before completing line 28.

If you are self-employed and are claiming the self-employed health insurance deduction, see *Self-Employed Health Insurance Deduction and PTC* in Pub. 974 for the amount to enter on line 28.

If APTC was paid for the coverage in a qualified health plan of an individual who was not lawfully present, the repayment limitation does not apply to APTC paid for individuals who are not lawfully present. See *Individuals Not Lawfully Present in the United States Enrolled in a Qualified Health Plan* in Pub. 974 for

more information. Pub. 974 provides a calculation necessary to figure the repayment limitation if an individual not lawfully present is enrolled with one or more family members who are lawfully present for 1 or more months of the year.

**Table 5. Repayment Limitation**

| IF the amount on Form 8962, line 5,<br>is . . . | THEN enter on line 28 . . .          |                                 |
|---|--------------------------------------|---------------------------------|
|   | for a filing status<br>of<br>Single— | for any other filing<br>status— |
| Less than 200 . . . . .                         | \$325                                | \$650                           |
| At least 200 but less than 300 . . . . .        | \$800                                | \$1,600                         |
| At least 300 but less than 400 . . . . .        | \$1,350                              | \$2,700                         |
| 400 or 401 . . . . .                            | leave line 28 blank                  |                                 |

**Line 29**

Enter the smaller of line 27 or line 28. If line 28 is blank, enter the amount from line 27 on line 29. Also enter the amount from Form 8962, line 29, on Schedule 2 (Form 1040), line 2.

**Part IV—Allocation of Policy Amounts**

See the instructions for [Line 1](#) and [Line 9](#) to determine whether you need to complete Part IV. If you complete Part IV, check the “No” box on line 10.

**Specific Allocation Situations**

**Allocation Situation 1. Taxpayers divorced or legally separated in 2020.** You and your former spouse must allocate policy amounts on your separate returns to figure your PTC and reconcile it with your APTC if both of the following apply.

- You and your former spouse were married to each other at some point during 2020 but were no longer married to each other at the end of 2020.
- For one or more months of marriage, you and your former spouse were enrolled in the same qualified health plan, or you or an individual in your tax family (as shown on your tax return) was enrolled in the same policy as your former spouse or as an individual in your former spouse’s tax family.

You will allocate between you and your former spouse the total enrollment premiums, the applicable SLCSPP premium, and APTC for coverage under the plan during the months you were married. You will find these amounts on your Form(s) 1095-A, Part III, columns A, B, and C, respectively. You and your former spouse may agree to allocate any percentage (from 0% to 100%) of these amounts to one of you (with the remainder allocated to the other), but you must allocate all three amounts using the same percentage. If you do not agree on a percentage, you and your former spouse must allocate 50% of each of these amounts to you and 50% of each to your former spouse.

**Policy amounts allocated 100%.** If 100% of policy amounts are allocated to you, check “Yes” on line 9 and complete Part IV by entering 100 in the appropriate box(es) for your allocation percentage. If 0% of the policy amounts are allocated to you, complete Part IV by entering -0- in the appropriate box(es) for your allocation percentage.

**Example 1.** Keith and Stephanie are married at the beginning of 2020 and have three children, Ben, Grace, and Max. In January, Keith enrolls Ben, Grace, and Max in a qualified health plan beginning in January. Keith and Stephanie divorce in July. The children become eligible for and enroll in government-sponsored health coverage and disenroll from the qualified health plan, effective August 1. According to [Table 3](#), Keith and Stephanie follow the rules under [Allocation Situation 1. Taxpayers divorced or legally separated in 2020](#).

Keith claims Ben and Grace as dependents and Stephanie claims Max as a dependent for 2020. Keith and Stephanie agree to allocate the policy amounts 33% to Stephanie and 67% to Keith. Therefore, 33% of the enrollment premium, the applicable SLCSPP premiums, and APTC are allocated to Stephanie and 67% of these amounts are allocated to Keith. The allocation is only for the months Keith and Stephanie were married.

On her Form 8962, Part IV, line 30, Stephanie enters Keith’s social security number in column (b) and enters “0.33” in columns (e), (f), and (g). On his Form 8962, Part IV, line 30, Keith enters Stephanie’s social security number in column (b) and enters “0.67” in columns (e), (f), and (g). Stephanie and Keith both enter “01” in column (c) and “07” in column (d).

**Example 2.** The facts are the same as in [Example 1](#), except that Keith and Stephanie cannot agree on an allocation percentage. Therefore, 50% of the enrollment premiums, the applicable SLCSPP premium, and APTC are allocated to each taxpayer. On their Forms 8962, Part IV, line 30, Keith and Stephanie each enter “0.50” in columns (e), (f), and (g).

**Allocation Situation 2. Taxpayers married at year end but filing separate returns.** You and your spouse must equally allocate (50% to each spouse) certain policy amounts if all of the following conditions are met.

- You were married at the end of 2020.
- You are filing a separate return from your spouse.
- You or an individual in your tax family was enrolled in the same policy as your spouse or an individual in your spouse’s tax family at any time during 2020.

Married individuals who file separate returns are generally not eligible to take the PTC. However, you may be able to take the PTC if you meet either of the following conditions.

- You file a return as single or head of household (see [Exception 1—Certain married persons living apart](#) under *Married taxpayers*, earlier).
- You file a return as married filing separately due to domestic abuse or spousal abandonment (see [Exception 2—Victim of domestic abuse or spousal abandonment](#) under *Married taxpayers*, earlier).

If Exception 1 or Exception 2 applies, follow the rules in the next paragraph. If neither exception applies, see [Married filing separately \(not in Exception 2—Victim of domestic abuse or spousal abandonment\)](#), later.

**Exception 1—Certain married persons living apart or Exception 2—Victim of domestic abuse or spousal abandonment.** Enter “0.50” in columns (e) and (g) of the appropriate line in Part IV to allocate the enrollment premium and APTC. Leave column (f) blank because you do not allocate the applicable SLCSPP premium. Instead, enter the SLCSPP premium that applies to your coverage family on lines 12 through 23. See [Example 1](#) and [Example 2](#), later.



*If you enrolled in coverage in the Marketplace with your spouse, or with another individual who is not in your tax family, your coverage family and applicable SLCSPP premium may be different from the coverage family and applicable SLCSPP premium the Marketplace used to determine the amount of your APTC. In that case, you must use a different applicable SLCSPP premium to calculate your credit than the amount reported on Form 1095-A, Part III, column B. See Pub. 974 for information on determining the correct applicable SLCSPP premium or, if you enrolled through the federally facilitated Marketplace, go to [HealthCare.gov/Tax-Tool/](https://www.healthcare.gov/tax-tool/).*

**Married filing separately (not in Exception 2—Victim of domestic abuse or spousal abandonment).** Enter “0.50” in column (g) of the appropriate line in Part IV to allocate the APTC. Leave columns (e) and (f) blank. You must repay the APTC allocated to you subject to the limit on line 28 because you are not an applicable taxpayer. See [Example 3](#) and [Example 4](#), later.



**Example 1.** John and Carol are married at the end of 2020 and have one child, Mark. John and Carol enrolled in a qualified health plan for 2020. The plan covered John, Carol, and Mark, with an annual premium of \$14,000 and APTC of \$8,500, which applied to the coverage for all of the individuals. John moved out of the residence on May 15. Carol and Mark continued to reside at the residence. John and Carol file separate returns for 2020. Carol qualifies to file her return as head of household. John files his return as married filing separately. Carol claims Mark as her dependent. Because Carol and John are not filing a joint return, they each have their own tax families, which are different from the tax family they indicated to the Marketplace they expected to have when they enrolled. Carol's family size is two because John is not in her tax family. Carol's federal poverty line percentage is determined using only her and Mark's modified AGI. John's modified AGI is not included because he is not in Carol's tax family. According to [Table 3](#), John and Carol follow the rules under [Allocation Situation 2. Taxpayers married at year end but filing separate returns](#).

Because John is not in Carol's tax family, he is not in her coverage family, which consists of Carol and her dependent, Mark, for purposes of determining her applicable SLCSPP premium. If neither John nor Carol notifies the Marketplace about the change in family circumstances, the Form 1095-A that Carol or John receives will report in column B the applicable SLCSPP premium that covers Carol, Mark, and John, which will be incorrect. Carol looks up the SLCSPP premium that applies to her and Mark.

Carol takes into account \$7,000 ( $\$14,000 \times 0.50$ ) of the premiums of the plan in which she and Mark were enrolled in figuring her PTC. Carol must then reconcile \$4,250 ( $\$8,500 \times 0.50$ ) of the APTC for her coverage. Amounts from this policy are allocated for all months Carol and John were enrolled. On her Form 8962, Part IV, line 30, Carol enters John's social security number in column (b) and enters "0.50" in columns (e) and (g). Column (f) is left blank. Instead of allocating the applicable SLCSPP premium, Carol will enter the applicable SLCSPP premium that applies to her and Mark.

Because John is filing his tax return as married filing separately and no exception to the married filing jointly requirement applies, he is not an applicable taxpayer and must repay the \$4,250 in APTC allocated to him, subject to the repayment limitations on line 28. On his Form 8962, Part IV, line 30, John enters Carol's social security number in column (b) and enters "0.50" in column (g). John leaves columns (e) and (f) blank because he is not an applicable taxpayer and cannot take the PTC.

**Example 2.** Kevin and Nancy are married at the end of 2020 and have no dependents. Kevin and Nancy are enrolled in a qualified health plan for 2020 with an annual premium of \$10,000 and APTC of \$6,500. According to [Table 3](#), Kevin and Nancy follow the rules under [Allocation Situation 2. Taxpayers married at year end but filing separate returns](#). Nancy is a victim of domestic abuse and is unable to file a joint return under the rules outlined in [Exception 2—Victim of domestic abuse or spousal abandonment](#) under *Married taxpayers*, earlier. Nancy files her return using the filing status married filing separately and checks the box on the front of Form 8962.

Nancy's family size for 2020 is one (Nancy). Nancy is the only person in her coverage family. If neither Kevin nor Nancy notifies the Marketplace about the change in family circumstances, the Form 1095-A that Kevin or Nancy receives will report in column B the premium for the applicable SLCSPP that covers Nancy and Kevin, which will be incorrect. Nancy must determine the correct premium for the applicable SLCSPP covering only Nancy. Nancy looks up her correct premium for the applicable SLCSPP.

Nancy's federal poverty line percentage is determined using Nancy's modified AGI and her family size of one. Nancy takes

into account \$5,000 ( $\$10,000 \times 0.50$ ) of the enrollment premiums in figuring her PTC. Nancy must reconcile \$3,250 ( $\$6,500 \times 0.50$ ) of the APTC for her coverage. On her Form 8962, Part IV, line 30, Nancy enters Kevin's social security number in column (b) and enters "0.50" in columns (e) and (g). Column (f) is left blank. Instead of allocating the applicable SLCSPP premium, Nancy will enter the applicable SLCSPP premium that applies to Nancy. Nancy enters this amount on the applicable lines in column (b), lines 12 through 23.

**Example 3.** For 2020, Michael and Colleen are married with no dependents and are enrolled in a qualified health plan. APTC of \$8,700 is paid for them during 2020. Michael and Colleen each file their returns for 2020 as married filing separately and [Exception 2—Victim of domestic abuse or spousal abandonment](#) does not apply to either of them. According to [Table 3](#), Michael and Colleen follow the rules under [Allocation Situation 2. Taxpayers married at year end but filing separate returns](#). Michael and Colleen are not applicable taxpayers and cannot take the PTC. They must allocate the \$8,700 APTC one-half (50%) to Michael and one-half (50%) to Colleen. On her Form 8962, Part IV, line 30, Colleen enters Michael's social security number in column (b) and enters "0.50" in column (g). On his Form 8962, Part IV, line 30, Michael enters Colleen's social security number in column (b) and enters "0.50" in column (g).

**Example 4.** The facts are the same as [Example 3](#), except that only Colleen is covered under the policy. Because Michael and Colleen are not applicable taxpayers and cannot take the PTC, Colleen does not complete Part IV of her Form 8962. She reports all of the APTC on line 11 or lines 12 through 23, whichever applies. Michael does not file Form 8962 because he was not enrolled in a qualified health plan.

**Allocation Situation 3. No APTC.** If this allocation situation applies, the enrollment premiums are allocated in proportion to the SLCSPP premium that applies to each taxpayer's coverage family. If no APTC was paid for the policy, the Marketplace may not know which enrollees are in which tax family, and therefore may furnish only one Form 1095-A showing the total premium. When this happens, the taxpayer receiving the Form 1095-A should provide a copy to the other taxpayers. You and the other taxpayer must complete only column (e) on the appropriate line in Part IV to allocate the enrollment premiums to each family. See [Missing or incorrect SLCSPP premium on Form 1095-A under Line 10](#), earlier, to determine your correct applicable SLCSPP premium.

**Example.** Gary and his 25-year-old nondependent son, Jim, enroll in a qualified health plan. Jim has no dependents. The policy covers Gary, Jim, and Gary's two young daughters who are Gary's dependents. No APTC is paid for this policy. The Form 1095-A furnished by the Marketplace to Gary shows an enrollment premium of \$15,000 for the year and the SLCSPP premium that applies to a coverage family that incorrectly includes Gary, Gary's daughters, and Jim. (Some states may report -0- or leave column B blank on the Form 1095-A when no APTC is paid.) Gary and Jim determine that the SLCSPP premium that applies to Gary and his two dependents is \$12,000 and the SLCSPP premium that applies to Jim is \$6,000. Gary and Jim are applicable taxpayers and each can take the PTC. According to [Table 3](#), Gary and Jim use the rules under [Allocation Situation 3. No APTC](#).

Gary computes his credit using his household income and family size of three, and the applicable SLCSPP premium for a coverage family of three of \$12,000. Jim computes his credit using his household income and family size of one, and the applicable SLCSPP premium for a coverage family of one of \$6,000.

Gary and Jim must allocate the enrollment premiums of \$15,000 reported on the Form 1095-A, Part III, column A, in

proportion to each taxpayer's applicable SLCSPP premium as follows. Gary's allocated enrollment premiums are \$10,000 ( $\$15,000 \times \$12,000/\$18,000$ ) (67% of the total premiums of \$15,000) and Jim's allocated enrollment premiums are \$5,000 ( $\$15,000 \times \$6,000/\$18,000$ ) (33% of the total premiums of \$15,000).

Gary enters Jim's social security number on line 30, column (b), and enters "0.67" in column (e). Jim enters Gary's social security number on line 30, column (b), and enters "0.33" in column (e). Gary and Jim leave line 30, columns (f) and (g), blank.

**Allocation Situation 4. Other situations where a policy is shared between two tax families.** Complete Part IV using the rules in this section if you need to allocate policy amounts and Allocation Situations 1 through 3 do not apply.

Allocation Situation 4 generally applies if another taxpayer indicated to the Marketplace that his or her tax family would include an individual you are including in your tax family, or you indicated to the Marketplace that you would include in your tax family an individual being included in the tax family of another taxpayer, and APTC was paid on behalf of the individual. In such cases, the Form 1095-A sent by the Marketplace for the policy does not accurately reflect the members of your coverage family and the other taxpayer's coverage family. Therefore, you and the other tax family must allocate the enrollment premiums, the APTC, and the applicable SLCSPP premium so that each family is able to compute their PTC and reconcile their PTC with the APTC paid for their coverage.

Under the rules in this section, you and the other taxpayer may agree on any allocation of the policy amounts between the two of you. You may use the percentage you agreed on for every month for which this allocation rule applies, or you may agree on different percentages for different months. However, you must use the same allocation percentage for all policy amounts (enrollment premiums, applicable SLCSPP premiums, and APTC) in a month. If you cannot agree on an allocation percentage, each taxpayer's allocation percentage is equal to the number of individuals enrolled by one taxpayer who are included in the tax family of the other taxpayer for the tax year divided by the total number of individuals enrolled in the same policy as the individual(s). The allocation percentage you use and that you put on line 30 of Form 8962 is the percentage of the policy amounts for the coverage that you will use to compute your PTC and reconcile APTC.

**Policy amounts allocated 100%.** If 100% of the policy amounts are allocated to you, check "Yes" on line 9 and complete Part IV by entering 100 in the appropriate box(es) for your allocation percentage. If 0% of the policy amounts are allocated to you, complete Part IV by entering -0- in the appropriate box(es) for your allocation percentage.

**Note.** If APTC is paid for coverage of an individual who is not included in a tax family, the taxpayer who certifies to the Marketplace his or her intention to include the individual in his or her tax family for the year of coverage is responsible for reporting and reconciling the APTC for the individual's coverage. See [Individual you enrolled who is not included in a tax family under Lines 12 Through 23—Monthly Calculation](#), earlier.

**Example 1.** Joe and Alice have been divorced since January 2019 and have two children, Chris and Jane. Joe enrolls himself, Chris, and Jane in a qualified health plan for 2020. The annual enrollment premium for the plan is \$13,000. The applicable SLCSPP premium is \$12,000, APTC is \$6,064, and Joe's household income is \$64,258.

Jane lives with Alice for more than half of 2020 and Alice claims Jane as a dependent. Joe receives a Form 1095-A showing policy amounts for the qualified health plan. Joe and Alice agree to allocate 20% of the policy amounts for the

qualified health plan for Jane's coverage. Therefore, 20% of the enrollment premiums, APTC, and the applicable SLCSPP premium are allocated to Alice and 80% are allocated to Joe. According to [Table 3](#), Joe and Alice use the rules under [Allocation Situation 4. Other situations where a policy is shared between two tax families](#).

In computing PTC, Joe takes into account \$10,400 of enrollment premiums ( $\$13,000 \times 0.80$ ). Joe must reconcile \$4,851 of APTC ( $\$6,064 \times 0.80$ ). Joe's tax family for 2020 includes only Joe and Chris, and Joe's household income of \$64,258 is 380% of the federal poverty line for a family size of two. Joe's applicable SLCSPP premium for 2020 is \$9,600 ( $\$12,000 \times 0.80$ ). Joe's PTC for 2020 is \$3,316 (the lesser of \$3,316, the excess of Joe's applicable SLCSPP premium of \$9,600 minus the contribution amount of \$6,284 ( $\$64,258 \times 0.0978$ ), or \$10,400, Joe's enrollment premiums). Joe has excess APTC of \$1,535 (the excess of the APTC of \$4,851 over the PTC of \$3,316).

When Joe completes Part IV of Form 8962, he enters Alice's social security number on line 30, column (b), and enters "0.80" in columns (e), (f), and (g). Alice is responsible for reconciling \$1,213 ( $\$6,064 \times 0.20$ ) of APTC for Jane's coverage. If Alice is eligible for the PTC, she will take into account \$2,600 ( $\$13,000 \times 0.20$ ) of the enrollment premiums for Jane and \$2,400 ( $\$12,000 \times 0.20$ ) of the applicable SLCSPP premiums. Alice must compute her contribution amount using the federal poverty line percentage for the household income and family size reported on her Form 8962.

**Example 2.** The facts are the same as in [Example 1](#), except that Joe and Alice do not agree on an allocation percentage. Therefore, the allocation percentage equals the number of individuals Joe enrolled in a qualified health plan who are included in Alice's tax family (1—Jane), divided by the number of individuals enrolled in the plan (3—Joe, Chris, and Jane). Thus, 33% of the policy amounts are allocated to Jane's coverage. Alice is allocated 33% of the enrollment premiums, APTC, and applicable SLCSPP premiums for the policy, and the remaining 67% of each is allocated to Joe.

### Lines 30 Through 33, Columns (a) Through (g)

If you shared a policy with another taxpayer in one of the situations described in [Specific Allocation Situations](#), earlier, complete line 30, columns (a) through (g), as applicable. If you shared a policy with another taxpayer and you are not making an allocation in all three columns, (e), (f), and (g), leave the column blank that does not apply.

If you shared multiple policies during the year or must do more than one allocation for a single policy, complete lines 31 through 33 for each separate allocation, as needed. For instructions on making more than four separate allocations, see [Line 34](#), later.

**Not an applicable taxpayer.** If you are not an applicable taxpayer because your household income is over 400% of the federal poverty line or you are using filing status married filing separately and [Exception 2—Victim of domestic abuse or spousal abandonment](#), earlier, does not apply to you, you cannot take the PTC. Unless you are electing the alternative calculation for year of marriage, do not enter any percentages in column (e) or (f) when completing Part IV.

**Lines 30 through 33, column (a).** Enter the Marketplace-assigned policy number from Form 1095-A, line 2. If the policy number of the Form 1095-A is more than 15 characters, enter only the last 15 characters.

**Lines 30 through 33, column (b).** Enter the social security number of the taxpayer with whom you are allocating policy amounts. This social security number may or may not be

reported on your Form 1095-A, depending on your relationship to the other taxpayer.

**Lines 30 through 33, column (c).** Enter the first month you are allocating policy amounts. For example, if you were enrolled in a policy with your former spouse from January through June, enter “01” in column (c).

**Lines 30 through 33, column (d).** Enter the last month you are allocating policy amounts. For example, if you were enrolled in a policy with your former spouse from January through June, enter “06” in column (d).

**Lines 30 through 33, column (e).** If your allocation situation requires you to allocate the enrollment premiums on Form 1095-A, lines 21 through 32, column A, enter your allocation percentage for that policy in column (e). Enter your allocation percentage as a decimal rounded to two places (for example, for 40%, enter “0.40”). Otherwise, leave column (e) blank.

**Lines 30 through 33, column (f).** If your allocation situation requires you to allocate the applicable SLCSP premium on Form 1095-A, lines 21 through 32, column B, enter your allocation percentage for that policy in column (f). Enter your allocation percentage as a decimal rounded to two places (for example, for 67%, enter “0.67”). You will enter an allocation percentage in column (f) in the following two circumstances.

- You allocated the policy amounts under [Allocation Situation 1. Taxpayers divorced or legally separated in 2020](#), earlier.
- You allocated the policy amounts under [Allocation Situation 4. Other situations where a policy is shared between two tax families](#), earlier.

In all other situations, leave column (f) blank because you do not allocate the applicable SLCSP premium reported in those situations. Instead, you must determine the correct applicable SLCSP premium for your coverage family and enter that amount on Form 8962, lines 12 through 23, column (b). See Pub. 974 for information on determining the correct premium for the applicable SLCSP or, if you enrolled through the federally facilitated Marketplace, go to [HealthCare.gov/Tax-Tool/](https://www.healthcare.gov/tax-tool/).

**Lines 30 through 33, column (g).** If your allocation situation requires you to allocate the APTC on Form 1095-A, lines 21 through 32, column C, enter your allocation percentage for that policy in column (g). Enter your allocation percentage as a decimal rounded to two places (for example, for 80%, enter “0.80”). Otherwise, leave column (g) blank.

## Line 34

If you have completed your required allocations of policy amounts shown on Forms 1095-A using lines 30 through 33, check the “**Yes**” box on line 34. If you must make more than four allocations of policy amounts shown on Forms 1095-A, check the “**No**” box on line 34 and attach a statement to your return providing the information shown on lines 30 through 33, columns (a) through (g), for each additional allocation.

If you got married in 2020 and APTC was paid for an individual in your tax family, see [Table 4](#) under *Line 9* in the instructions for Part II, earlier, to determine if you should complete Part V. If you do not complete Part V, check the “**No**” box on Form 8962, line 10, skip line 11, and continue to [Lines 12 Through 23—Monthly Calculation](#) in the instructions for Part II, earlier.

## Part V—Alternative Calculation for Year of Marriage

Complete Part V to elect the alternative calculation for your pre-marriage months. Electing the alternative calculation is optional, but may reduce the amount of excess APTC you must

repay. To be eligible to make this election, you must meet either of the following conditions.

- You checked the “**Yes**” box on Form 8962, line 6, **and** you answered “**Yes**” to all five questions in [Table 4](#).
- You checked the “**No**” box on Form 8962, line 6, **and** the “**Yes**” box on line 14 of [Worksheet 3](#).

If you, your spouse, or any individual in your tax family had coverage under a qualified health plan for at least 1 month before your first full month of marriage, use the worksheets and instructions necessary to complete the alternative calculation in Pub. 974.



*Do not go to Pub. 974 until you have completed [Table 4](#) to determine whether you meet the requirements to elect the alternative calculation.*

**Line 35.** Complete line 35, columns (a) through (d), as indicated in Pub. 974 under *Alternative Calculation for Year of Marriage*.

**Line 36.** Complete line 36, columns (a) through (d), as indicated in Pub. 974 under *Alternative Calculation for Year of Marriage*.

## How To Avoid Common Mistakes in Completing Form 8962

Mistakes in completing Form 8962 can cause you to pay too much tax, delay the processing of your return or refund, or cause you to receive correspondence from the IRS. To avoid making common mistakes on your Form 8962 and on your income tax return, carefully review all of the following before attaching Form 8962 to your tax return.

**Entering amounts from Form 1095-A.** Form 8962 and the IRS electronic filing program provides for entries of dollars only. Your Form 1095-A may include amounts in dollars and cents. You should round the amounts on Form 1095-A to the nearest whole dollar and enter dollars only on Form 8962. If you file a paper return and **do not** round amounts to whole dollars, be sure to enter the decimal point to separate dollars and cents.

**Check your math.** Check your math, especially when completing line 11, or lines 12 through 23, and entering the totals on lines 24 and 25. Review your entries on line 11, or lines 12 through 23, if your entries on lines 24 and 25 seem higher than expected (for example, greater than \$25,000). Examples of math errors include the following.

- Dollar and cents amounts from Form 1095-A entered as dollars on Form 8962.
- Transposition of numbers or errors in amounts (for example, line 12, column (a), monthly enrollment premium of \$1,200 entered as \$12,000).
- Annual totals from Form 1095-A, line 33, entered as monthly amounts on Form 8962, lines 12 through 23.

**Line 2b.** Complete line 2b **only** if your dependent(s) is required to file an income tax return. You enter your and your spouse's (if filing a joint return) modified AGI on line 2a. If you are not required to complete line 2b, enter your modified AGI from line 2a on line 3.

**Line 5.** Review your entries on [Worksheet 2. Household Income as a Percentage of the Federal Poverty Line](#) for accuracy. An incorrect entry on this line will impact the amount of your PTC.

**Line 11.** Use the amounts shown on Form 1095-A, line 33 (columns A, B, and C), for completing line 11. **Do not** use monthly amounts from Form 1095-A, lines 21 through 32 (columns A, B, and C). If you are instructed to complete line 11, **do not** complete lines 12 through 23.

**Lines 12 through 23.** Use the monthly amounts from Form 1095-A, lines 12 through 32 (columns A, B, and C), when completing lines 12 through 23. **Do not** use total amounts from

Form 1095-A, line 33. If you are instructed to complete lines 12 through 23, **do not** complete line 11.

**Line 24.** If your filing status is married filing separately and you are not eligible to check the box above line 1 on Form 8962, your entry on line 24 should be -0-. If you enter an amount greater than -0-, the IRS will reduce your entry to -0-.

**Line 26.** If you have an amount on line 26 (other than -0-), be sure to enter that amount on Schedule 3 (Form 1040), line 8.

**Line 29.** If you have an amount on line 29, be sure to enter that amount on Schedule 2 (Form 1040), line 2.

**Part V—Alternative calculation for year of marriage election.** Confirm your entries for alternate start and stop months. These months should be inclusive of all months you are using a reduced monthly contribution. Either you or your spouse should have a start month that is the same as the first month you claim the PTC on lines 12 through 23. For example, if your first monthly entry in Part II is on line 14 for March, either you or your spouse should enter “03” as the alternate start month in Part V.