

SUPPORTING STATEMENT
Internal Revenue Service (IRS)
Health Insurance Premium Tax Credit
TD 9590 / Form 1095-A
OMB Control Number 1545-2232

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Under the Patient Protection and Affordable Care Act, Public Law 111-148, and the Health Care and Education Reconciliation Act, Public Law 111-152, states will establish exchanges to facilitate enrollment in qualified health plans by individuals. Eligible individuals may claim a premium tax credit on their tax returns that will pay part of the premiums for health plans. In many cases exchanges will approve monthly advance payments of the credit to insurance companies. Section 36B(f)(3) of the Internal Revenue Code requires exchanges to report information concerning individuals enrolling in qualified health plans that will assist the individuals to properly complete their tax returns and assist the Internal Revenue Service to determine a taxpayer's eligibility for the premium tax credit and the correct amount of the credit.

(a) Information required to be reported. An Exchange must report to the Internal Revenue Service and each taxpayer the following information for the qualified health plan or plans in which the taxpayer or a member of the taxpayer's family enrolls through the Exchange--

- (1) The premium for the applicable benchmark plans used to compute advance credit payments and the period coverage was in effect;
- (2) The total premium for the coverage in which the taxpayer or family member enrolls without reduction for advance credit payments;
- (3) The aggregate amount of any advance credit payments;
- (4) The name, address and Social Security number (SSN) of the primary insured and the name and SSN or adoption taxpayer identification number of each other individual covered under the policy;
- (5) All information provided to the Exchange at enrollment or during the taxable year, including any change in circumstances, necessary to determine eligibility for and the amount of the premium tax credit;
- (6) Any other information required in published guidance, see [§ 601.601\(d\)\(2\)](#) of this chapter, necessary to determine whether a taxpayer has received excess advance payments.

(b) Time of reporting. [Reserved]

(c) Manner of reporting. The Commissioner may provide rules in published guidance, see [§ 601.601\(d\)\(2\)](#) of this chapter, for the manner of reporting under this section.

The data elements are codified under § 1.36B-5, "Information reporting by Exchanges" of the final regulation.

The IRS developed Form 1095-A under the authority of ICR section 36B(f)(3) for exchanges to give enrollment information to individuals for use in computing the amount of premium tax credit and file an accurate tax return.

2. USE OF DATA

The collection of information is necessary (a) to evaluate a taxpayer's eligibility for a premium tax credit, (b) to determine the amount of a taxpayer's premium tax credit, and (c) to properly reconcile a taxpayer's premium tax credit with advance credit payments.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

The exchanges will use electronic media to compile and provide the information to the IRS, but they expect that exchanges will provide paper information statements to enrollees.

4. EFFORTS TO IDENTIFY DUPLICATION

The information obtained through this collection is unique and is not already available or use or adaption from another source.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

There is no burden on small businesses or other small entities due to the inapplicability of the authorizing statute to this type of entity.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

The information required is needed to verify compliance with Section 36B(f)(3) of the Internal Revenue Code of the Treasury Regulations. A less frequent collection of taxes and tax information could adversely affect the government's effectiveness and would reduce the oversight of the public in ensuring compliance with Internal Revenue Code and hinder the IRS from meeting its mission.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

There are no special circumstances requiring data collection to be inconsistent with Guidelines in 5 CFR 1320.5(d)(2).

8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

In response to the Federal Register notice dated May 15, 2024 (89 FR 42598), IRS received no comments during the comment period regarding these regulations.

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 U.S.C. 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the “Affordable Care Act (ACA)” system and a Privacy Act System of Records notice (SORN) has been issued for this system under; IRS 24.030- Individual Master File, IRS 24.046-Customer Account Data Engine Business Master File, and IRS 34.037- Audit Trail and Security Records System. The Internal Revenue Service PIAs can be found at <http://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

Title 26 USC 6109 requires inclusion of identifying numbers in returns, statements, or other documents for securing proper identification of persons required to make such returns, statements, or documents and is the authority for social security numbers (SSNs) in IRS systems.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The collection of information in these final regulations is in § 1.36B-5. The information will help the IRS properly reconcile the amount of the premium tax credit with advance credit payments made under section 1412 of the Patient Protection and Affordable Care Act (42 U.S.C. 18082). The collection of information is required to comply with the provisions of section 36B(f)(3) of the Internal Revenue Code (Code).

26 CFR	Description	# Respondents	# Responses Per Respondent- Approximate	Total Annual Responses	Hours Per Response	Total Burden
1.36B-5	Form 1095-A Health Insurance Premium Tax Credit	15	216666.67	3,250,000	.3 min.	16,250

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

Product	Aggregate Cost per Product (factor applied)	Printing and Distribution	Government Cost Estimate per Product
Form 1095-A	97,776	0	97,776
Form Instructions	8,148	0	8,148
Grand Total	105,924		105,924
Table costs are based on 2023 actuals obtained from IRS Chief Financial Office and Media and Publications			
* New product costs will be included in the next collection update.			

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. IRS is making this submission to renew the OMB approval.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis, and publication.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

IRS believes that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the form and/or regulations sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.

Note: The following paragraph applies to all of the collections of information in this submission:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.