

# compliance update

## **Final Employer Shared Responsibility Guidance**

On February 10<sup>th</sup>, the IRS published the highly anticipated final Employer Shared Responsibility provisions. This guidance is extensive, touching on all aspects of the employer mandate, and incorporating public feedback on all manner of subjects.

Assurance will provide more comprehensive coverage on these final rules shortly; however of particular note is transitional guidance that effectively phases in the Shared Responsibility provisions for employers.

Employers with between 50 and 99 full-time employees will not be required to comply with Shared Responsibility in 2015, while employers with 100 or more full-time employees will be required to offer affordable coverage to 70% of their full-time employees in 2015, and 95% in 2016. Also, the IRS has generally extended all of the fiscal year transitional relief. This means employers with non-calendar year plans will be subject to Shared Responsibility as they renew, if they meet certain criteria.

There is significant discussion on many other topics in this guidance, including the definitions of “hours of service”, rules on breaks in coverage, new factors to consider for variable hour and staffing employees and more. Assurance will break down all the new developments and publish additional commentary over the next several days on this very important guidance.