



1095-B FORMS ARE COMING!

Dear Line Construction Benefit Fund (LINECO) Participant,

All active employees and many retirees who had coverage during 2015 will soon be receiving 1095-B forms from LINECO. We are providing you with the following Q&A to help you understand the purpose of this important new form.

1. What are 1095-B Forms?

You will need to indicate on your individual federal income tax form whether or not you and your dependents had qualifying health care coverage (called "minimum essential coverage") during 2015 as required by the Affordable Care Act (ACA). Your 1095-B form will provide that information. Specially, Part IV of the form shows the months during 2015 that you and your dependents were covered by LINECO based on the employer contributions received at the time the form was printed.

2. Does LINECO provide minimum essential coverage?

Yes, and it counts as minimum essential coverage even if you made self-payments to continue the coverage by paying for the hours you were short, or by electing COBRA. Medicaid, Medicare and Tricare are also considered minimum essential coverage.

3. I am a retiree with Medicare. Why do I need a 1095-B?

If LINECO provided benefits to supplement Medicare for all 12 months of 2015, then you do not need LINECO's 1095-B. Your Medicare coverage already satisfies the individual mandate requirement. However, because of the way these forms are generated, you may receive a 1095-B from us anyway. You can ignore it if you and any dependents of yours had primary coverage through Medicare.

4. How many 1095 forms will I receive?

You will receive a 1095-B from any health plan that provided you with coverage in 2015. You will receive a 1095-C form from any large employer (100+ full-time employees) that made a contribution to LINECO for your 2015 work. If you worked for more than one large employer in 2015, you will receive more than one 1095-C.

The 1095-B you receive from LINECO will show your months of coverage. The 1095-C you receive from your employer should show the months for which the employer made contributions to LINECO, that is, the months you worked at least one hour in covered employment.

5. Should I be concerned that the months of coverage on the Plan's 1095-B do not match the months on my employer's 1095-C?

No. Because this is a multiemployer plan with a special set of eligibility rules designed to accommodate our particular industry, the months shown on these forms will not necessarily match.

6. Which form affects my federal tax return?

Form 1095-B. This is the form that will tell the IRS whether or not you are subject to an individual mandate penalty (tax). Do not use the 1095-C from your employer to indicate your months of coverage.

7. When will I receive all my 1095's?

This year's due date is March 31, 2016. LINECO is sending them earlier to make it easier for participants to file their income taxes. If LINECO was your family's only health plan in 2015, LINECO's Form 1095-B is all you need for your 2015 income taxes.

8. Do copies of my 1095 forms go to the IRS?

Yes. Your employer will send a copy of its 1095-C form and the Plan will send a copy of your 1095-B form to the IRS. Like W-2 forms, the IRS will receive its copies electronically.

9. What do I do with my 1095 forms?

You will need to do the following with your 1095 forms:

- Make sure your name, Social Security number (SSN), names and SSNs of any dependents you cover, and your mailing address are correct on your Form 1095-B. If you think the months of coverage or your dependent information is incorrect, contact the Fund Office as soon as possible.
- Use it to complete line 61 on your IRS Form 1040 for 2015 (line 38 on Form 1040-A, or line 11 on Form 1040-EZ).
- Keep it with your tax records. You do not have to submit it to the IRS.

10. What if my dependent's SSN is missing?

If our 1095-B form shows your dependent's date of birth instead of his or her Social Security number (SSN), it means the Plan does not have the SSN on file. In such case, please provide that information to the Fund Office at your earliest opportunity. It will help the IRS make correct determinations about the dependent's coverage status in future years.

11. What if the 1095-B lists a dependent whom I do not claim as a dependent on my income tax?

The Form 1095-B will list all known dependents covered by the Plan, regardless of whether or not they are an IRS dependent of yours. If you have a family member whom you do not claim on your taxes—for example, a child living in another household, or an adult child you no longer support—you will want to share that person's 1095-B information with the appropriate taxpayer.

12. Will I have to pay a tax penalty for not having sufficient health care coverage?

Under the Affordable Care Act's rules you will have to pay a tax penalty if: a) you did not have minimum essential coverage for ten months or more in 2015; and b) you are not entitled to a coverage exemption. In this applies to you, you should complete IRS Form 8965 and file it with your taxes. The available exemptions are described on that form.

13. How much is the tax penalty?

For the 2015 tax year, the penalty for non-compliance with the individual mandate is the greater of:

- 2% of household income, or
- \$325 per adult, \$162.50 per child under 18 (family maximum = \$975)

14. Will I receive 1095 forms every year?

Yes. Starting next year the due date will be January 31.