



## ***MA Healthcare Reform News Update!***

### **2008 Schedule HC and Form 1099-HC**

Massachusetts residents age 18 and over are required to have health insurance, if it's deemed affordable for them, or face a penalty. The Department of Revenue (DOR) was given the task of implementing the requirement and collecting any penalty through the individual tax process. For 2007, residents only had to show that they had coverage as of 12/31/07. For 2008, the level of compliance and the amount of penalty have increased.

#### **What do I need to do?**

DOR has developed a Draft Schedule HC for the 2008 tax return that will have to be used by taxpayers to report proof of health insurance. Employers and insurance carriers are required to provide their subscribers with a 2008 MA Form 1099-HC by January 31<sup>st</sup>, 2009. The information in the Form 1099-HC will allow you and your employees to complete the required Schedule HC form on your tax return.

Please see the links below to view any of these documents:

[FINAL Form MA 1099-HC](#)

[DRAFT Schedule HC](#)

[DRAFT Schedule HC Instructions](#)

***Please note:*** Any revisions to the drafts can be expected in the next couple of weeks.

The 2008 Draft Schedule HC and instructions reflect the Health Care reform law's mandate for 2008 that individuals have health insurance for all of 2008, as well as the increased penalties mandated by law.

If you or your employees have any questions on the completion of this state tax form, please contact your tax advisor or refer to the Department of Revenue's website: <http://www.mass.gov/dor>

As always, please do not hesitate to contact your Client Consultant with any additional questions or concerns.



B o r i s l o w   I n s u r a n c e

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