

No Health Coverage in 2015? What That Means for Your Taxes

You'll answer a question about your health coverage when you file your federal income tax return. If you didn't have a minimum level of health coverage for the whole year, your taxes could be affected. For example, some tax filers who didn't have coverage will pay a fee as part of their taxes. Others may ask for an "exemption" because of special situations, and if they're approved, they won't have to pay a fee.

Will you owe a fee?

If you could've afforded health coverage in 2015 but chose not to buy it and you don't qualify for an exemption, you may need to pay a fee with your federal tax return. It's based on your income, and how many months you didn't have health coverage.

If you didn't have health coverage for all of 2015, you'll pay the higher of:

- \$325 per person who was without coverage for the year (\$162.50 per child under 18). The maximum fee per family using this method is \$975.
- An amount that varies depending on your income (generally 2% of your yearly household income over a certain threshold).

The fee increases every year.

You don't have to pay the fee if you're approved for an exemption

You might be able to get an exemption because of a special situation, like not having affordable health insurance plans available to you, having only a short gap in coverage, or being eligible for services through the Indian Health Service, among others.

There are 2 types of exemptions:

1. IRS exemptions that you can get from the IRS when you file your tax return.
2. Marketplace exemptions that you can request by completing a paper application and mailing it to the Health Insurance Marketplace. If your exemption request is approved, you'll need to save the approval notice you get in the mail because it includes your Exemption Certificate Number (ECN). Enter your ECN on your federal income tax return for the year you didn't have health coverage. If the ECN isn't granted for the whole year, you may still have to pay a fee for some months. If you have questions about your taxes, visit IRS.gov.

Help is available.

- For more information about how health coverage will affect your taxes, visit HealthCare.gov/taxes/ or call the Marketplace Call Center at 1-800-318-2596. TTY users should call 1-855-889-4325.
- Many people who signed up for Marketplace coverage can get free assistance with filling out their taxes. This may include free access to tax software programs, or free in-person assistance. For more information, visit IRS.gov/freefile or IRS.gov/VITA/.
- If you have general questions about your taxes, or want to learn more about the fee for not having health coverage, visit IRS.gov.