

IRS Announces 2024 ACA Employer Mandate Penalties

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PRACTICES Employee Benefits and Executive Compensation

The IRS recently announced increased employer mandate penalties for 2024 under the Affordable Care Act's ("ACA") employer shared responsibility provisions. These provisions are applicable to employers with 50 or more full-time employees during the preceding calendar year.

The penalty for failing to offer minimum essential coverage to 95% of full-time employees (i.e., the A Penalty) is increased to \$2,970 per employee.

The penalty for offering coverage that is not affordable or does not provide "minimum value" to full-time employees (i.e., the B Penalty) is increased to \$4,460 per employee.

Employers should ensure that full-time employees are properly identified and assess compliance with all applicable ACA requirements.

IRS Revenue Procedure 2023-17 is available [here](#).