IRS Issues Notice Providing Certain Transition Relief from the Individual Mandate Payment

July 2, 2013

As of January 1, 2014, the Act?ÃÃs ?ÃÂ£individual mandate?ÃÂ¥ requires individuals who are not otherwise exempt to either maintain MEC for themselves and their non-exempt family members, or pay a shared-responsibility payment with their federal tax returns (the ?ÃÂ£**Mandate Payment**?ÃÂ¥).?Ã¡ MEC includes coverage under an eligible employer-sponsored plan (an ?ÃÂ£**Eligible Plan**?ÃÂ¥), such as a group health plan.?Ã¡ An individual may be unable to enroll in coverage by January 1, 2014 under an Eligible Plan with a non-calendar plan year if the plan prohibits mid-year enrollments absent the occurrence of a designated change-in-status event.?Ã¡ The IRS recently issued Notice 2013-42, which provides relief from the Mandate Payment for certain individuals who are eligible to enroll in an Eligible Plan with a non-calendar plan year that begins in 2013 and ends in 2014. A copy of IRS Notice 2013-42 is available **here**.