



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

Exemption information if you couldn't afford health coverage

Were you unable to buy health coverage last year because you could not afford it? You may be eligible for an exemption from the requirement to have health coverage.

The Affordable Care Act is making health insurance more affordable, helping more people get covered, and improving the quality of care that millions of Americans receive. Under the Affordable Care Act, individuals who can afford to are now required by law to have health coverage. If you can afford health coverage but chose not to buy it, you may have to pay a fee. However, those who can't afford coverage or meet other conditions may qualify for an exemption. If you qualify, receiving an exemption is simple and easy, and means you won't have to pay a fee.

It is important for individuals to know that exemptions are available and to understand the steps they need to take to request one. If the health coverage available to you last year would have been unaffordable, you may qualify for an exemption.

What kind of coverage is considered “unaffordable”?

For this exemption, coverage is considered unaffordable if you would have had to pay more than eight percent of your household income for the annual premium amount for health coverage in 2014.

How Do I Apply for the Exemption Based on My Coverage Being Unaffordable?

You will simply claim it when you file your taxes. The process is fast and easy. To claim an exemption select the exemption that applies to you on your tax return and enter the corresponding code. For this exemption, it will be “Coverage Considered Unaffordable,” which is code A. To claim the “Coverage Considered Unaffordable” exemption if you are eligible for Marketplace coverage, you'll need to know the premium for the lowest cost Bronze plan you could have enrolled in for 2014. Visit <https://www.healthcare.gov/taxes/tools> to find this information. If you would have had to pay more than eight percent of your household income in

premiums - after any applicable tax credits - for this lowest cost Bronze plan, you can claim this exemption.

If you already received this exemption through the Marketplace, you use the Exemption Certificate Number provided to you when you file your taxes. If you have questions about Marketplace exemptions or about your Exemption Certificate Number, visit HealthCare.gov/taxes, or call the Marketplace call center at 1-800-318-2596.

If you have questions about how to apply for an exemption on your tax return, visit the Internal Revenue Service webpage on exemptions, available [here](#).

Where can I get help with my taxes?

Most people use software to file their taxes, which is the easiest way to complete your tax return as it guides you through the process and does all the math. [Resources are available to help you file your taxes](#), including free tax filing services if you meet certain income requirements:

- [Free In-Person Volunteer Assistance through the Volunteer Income Tax Assistance \(VITA\) and Tax Counseling for the Elderly \(TCE\) programs.](#)
- [Free Software Returns through IRS Free File for taxpayers with incomes below \\$60,000.](#)
- [Commercial software.](#)
- [Professional assistance.](#)

How Long Does An Exemption for Unaffordable Coverage Last?

If you receive a “Coverage Considered Unaffordable,” exemption, it applies only to the months coverage was unaffordable in 2014. Since health plan prices change from year to year, you will need to check back each year to see if you are eligible for this exemption.

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