



[4830-01-P]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 602

[TD 9632]

RIN 1545-BL36

Shared Responsibility Payment for Not Maintaining Minimum Essential Coverage; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations; correction

SUMMARY: This document contains corrections to final regulations (TD 9632) that were published in the **Federal Register** on Friday, August 30, 2013. The final regulations provide guidance to individual taxpayers on the liability under section 5000A of the Internal Revenue Code for the shared responsibility payment for not maintaining minimum essential coverage.

DATES: This correction is effective **INSERT DATE OF PUBLICATION OF THIS DOCUMENT IN THE FEDERAL REGISTER** and applicable beginning August 30, 2013.

FOR FURTHER INFORMATION CONTACT: John Lovelace, at (202) 622-4960 (not a toll free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations (TD 9632) that are the subject of this correction is under section 5000A of the Internal Revenue Code.

Need for Correction

As published, the final regulations (TD 9632), published August 30, 2013 (78 FR 53646), contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the final regulations (TD 9632), that are the subject of FR Doc. 2013-21157, are corrected as follows:

1. On page 53646, first column, in the preamble, under the paragraph heading “Paperwork Reduction Act”, third line from the bottom of the column, the language “with the Paperwork and Reduction Act” is corrected to read “with the Paperwork Reduction Act”.

2. On page 53646, second column, in the preamble, seventh line from the top of the page, the language “the amount of the penalty. The likely” is corrected to read “the amount of the payment. The likely”.

3. On page 53647, first column, in the preamble, fifth line of the first full paragraph, the language “approval for enrollment have minimum” is corrected to read “approval for enrollment has minimum”.

4. On page 53647, second column, in the preamble, twenty-fourth line from the top of the page, the language “qualifying relative, would prevent them” is corrected to read “qualifying relative, would prevent a taxpayer”.

5. On page 53647, third column, in the preamble, under the paragraph heading “2. Special Rule for Adopted Children”, fourth line of the second paragraph, the

language “for shared responsibility payment for an” is corrected to read “for the shared responsibility payment for an”.

6. On page 53648, first column, in the preamble, under the paragraph heading “1. Insurance-related Terms”, the last sentence of the first paragraph, “The additional terms defined include health insurance coverage, individual health insurance coverage, individual market, and state.” is corrected to read “The additional terms defined include health insurance coverage, individual market, and state.”.

7. On page 53648, first column, in the preamble, under the paragraph heading “2. Household Income”, fifteenth line of the first paragraph, the language “income, the gross income of his or her” is corrected to read “income the gross income of his or her”.

8. On page 53648, third column, in the preamble, twelfth line of the second full paragraph, the language “will be effective starting January 1, 2014” is corrected to read “will be effective starting January 1, 2014.”.

9. On page 53649, second column, in the preamble, fourth line of the first full paragraph, the language “and 1902(cc) of the Social Security Act,” is corrected to read “and 1902(cc) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIX) and (cc))”.

10. On page 53649, third column, in the preamble, under the paragraph heading “4. Medicaid for the Medically Needy”, tenth line of the first paragraph, the language “and following (Subpart D). Over half of” is corrected to read “and following sections. Over half of”.

11. On page 53649, third column, in the preamble, under the paragraph heading “4. Medicaid for the Medically Needy”, last line of the column, the language “coverage by the HHS Secretary, in” is corrected to read “coverage by the Secretary of HHS, in”.

12. On page 53650, first column, in the preamble, first and second lines from the top of the page, the language “consultation with the Treasury Secretary, under section 5000A(f)(1)(E).” is corrected to read “consultation with the Secretary of the Treasury, under section 5000A(f)(1)(E).”.

13. On page 53650, first column, in the preamble, under the paragraph heading “5. TRICARE”, the seventh and the twelfth lines of the second paragraph, the language “limited benefit” is corrected to read “limited-benefit”.

14. On page 53651, second column, in the preamble, first line from the top of the page, the language “responsibility penalty even if the” is corrected to read “responsibility payment even if the”.

15. On page 53652, first column, in the preamble, under the paragraph heading “C. Exempt Noncitizens”, twelfth and thirteenth line of the first paragraph, the language “taxable year if the individual is either (1) a nonresident alien as defined in” is corrected to read “taxable year if the individual either (1) is a nonresident alien as defined in”.

16. On page 53652, second column, in the preamble, under the paragraph heading “D. Incarcerated Individuals”, second and third lines of the first paragraph, the language “individual is exempt for a month for which the individual is incarcerated” is corrected to read “individual is exempt for a month when the individual is incarcerated”.

17. On page 53652, second column, in the preamble, under the paragraph heading “D. Incarcerated Individuals”, tenth line of the third paragraph, the language “receive benefits for healthcare provided” is corrected to read “receive benefits for health care provided”.

18. On page 53652, third column, in the preamble, fourteenth line of the second full paragraph, the language “that are excluded from the individual’s” is corrected to read “that are excluded from the employee’s”.

19. On page 53653, third column, in the preamble, fourth through the sixth line from the top of the page, the language “applicable plan, when a plan is not offered that covers members of the entire tax household, be revocable. The” is corrected to read “applicable plan when a plan is not offered that covers members of the entire non-exempt family, be revocable. The.”.

20. On page 53653, third column, in the preamble, the third full paragraph, is corrected to read “It is anticipated that future HHS guidance will specify that when determining eligibility for the hardship exemption for individuals who lack affordable coverage based on projected income described in 45 CFR 155.605(g)(2), the Exchange will calculate advance payments of the premium tax credit using the rules specified in the regulations under section 36B, providing that individuals who have minimum essential coverage are excluded from the computation of the applicable benchmark plan. This treatment will ensure that Exchanges can reuse existing advance payment functionality instead of having to develop additional functionality for the sole purpose of supporting this exemption.”.

21. On page 53654, second column, third line from the bottom of the first full paragraph, the language “through Indian Health Service in” is corrected to read “through the Indian Health Service in”.

22. On page 53654, second column, in the preamble, under the paragraph heading “H. Short Coverage Gap”, fourteenth line of the first paragraph, the language

“February) in conjunction with the one” is corrected to read “February) in conjunction with the one-”.

23. On page 53655, first column, seventh line from the top of the page, the language “section 5000A for the short coverage gap” is corrected to read “section 5000A for purposes of the short coverage gap”.

24. On page 53655, second column, in the preamble, seventh and eighth lines of the second full paragraph, the language “exemptions on a Federal income tax return.” is corrected to read “exemption on Federal income tax returns.”.

25. On page 53655, third column, in the preamble, under the paragraph heading “Special Analyses”, tenth line of the first paragraph, the language “to these regulations, and, because the” is corrected to read “to these regulations and, because the”.

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[FR Doc. 2013-30740 Filed 12/24/2013 at 8:45 am; Publication Date: 12/26/2013]