



Health Care Reform Update



IMPORTANT NOTICE REGARDING HEALTHCARE REFORM Update #46 May, 2015

Iowa Marketplace SHOP Coverage and Small Business Tax Credits

Starting in 2014, the ACA Marketplace offered Small Business Health Options Program (SHOP) coverage to qualified small businesses through CoOpportunity Health in the state of Iowa. As of February 24, 2015, an order of liquidation was issued by the Iowa courts whereby the Insurance Commissioner of the State of Iowa, as Liquidator of CoOpportunity Health, was authorized to take possession of CoOpportunity Health's assets and to liquidate its business.

Due to the loss of CoOpportunity Health from the marketplace, all small employers who purchased coverage lost their SHOP plans and their ability to file for the small business tax credit for 2015. To rectify this issue, the IRS issued Notice 2015-8, which created an exemption that will allow effected small employers to apply for the small business tax credit for 2015 as if they still had SHOP coverage.

The below question and answer regarding Notice 2015-8 was copied from the IRS web site.

[Link to IRS Notice 2015-8- -Notice 2015-08](#)

Q6B. If my principal place of business is in Iowa and QHPs are not available through a SHOP Marketplace for all or part of 2015 in the county where my business is located, can I still qualify for the credit?

A6B. A small employer with a principal business address in one of the counties listed below, where QHPs are not available through the SHOP Marketplace for all or part of 2015, may claim the credit under the pre-tax year 2014 rules. The credit will be calculated at the maximum 50% rate (35% rate for tax-exempt eligible small employers) for the entire 2015 taxable year. If the eligible small employer does not claim the credit for the 2014 taxable year, but claims the credit for the 2015 taxable year, then the 2015 taxable year will be the first year of the two consecutive taxable year credit period. If the eligible small employer first claims the section 45R credit for the 2014 taxable year, then the 2015 taxable year is the second year of the two-consecutive taxable year credit period, regardless of whether the eligible small employer takes advantage of the relief described in this paragraph. For a detailed description of this relief, see Notice 2015-8.



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Iowa:

Adair, Adams, Appanoose, Audubon, Benton, Black Hawk, Boone, Bremer, Buchanan, Buena Vista, Butler, Calhoun, Carroll, Cass, Cedar, Cerro Gordo, Cherokee, Chickasaw, Clarke, Clinton, Crawford, Dallas, Davis, Decatur, Delaware, Des Moines, Dubuque, Floyd, Franklin, Fremont, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Harrison, Henry, Humboldt, Iowa, Jackson, Jasper, Jefferson, Johnson, Jones, Keokuk, Kossuth, Lee, Linn, Louisa, Lucas, Madison, Mahaska, Marion, Marshall, Mills, Mitchell, Monona, Monroe, Montgomery, Muscatine, Page, Palo Alto, Pocahontas, Polk, Pottawattamie, Poweshiek, Ringgold, Sac, Scott, Shelby, Story, Tama, Taylor, Union, Van Buren, Wapello, Warren, Washington, Wayne, Webster, Winnebago, Worth, and Wright counties.

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