

United States Senate  
WASHINGTON, DC 20510

February 26, 2014

The Honorable Jack Lew  
Secretary of the Treasury  
Washington, DC 20220

Dear Secretary Lew,

I write today to express my concern about the upcoming rules that will soon be finalized pertaining to Sections 6055 and 6056 of the Internal Revenue Code. As you know, these sections outline the reporting requirements for health insurance issuers and employers under the Affordable Care Act (ACA).

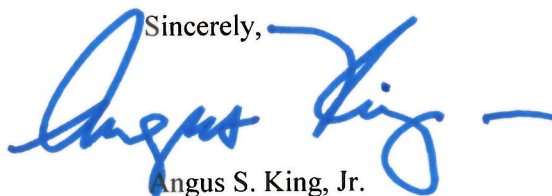
Absent regulatory streamlining, the cost of compiling and distributing these reports could be substantial for businesses, particularly those that self-insure and will therefore be subject to reporting requirements pursuant to both Sections 6055 and 6056. I am gravely concerned that this compliance burden may prove overwhelming to mid-sized employers that, while employing 50 or more people, do not have the requisite personnel or resources to comply with extensive paperwork. I urge you to do everything possible to limit the scope of the reporting requirements to only those criteria specifically outlined in the ACA and make every effort to ensure the filing process is seamless and easy to use on a year-to-year basis.

The authors of the ACA recognized the potential for overlapping regulations that could result in executing these sections of the law, and instructed regulators that "to the maximum extent feasible, the Secretary may provide that any return or statement required to be provided under [Section 6056] may be provided as part of any return or statement required under Section 6051 or 6055." In keeping with the intent of the law, I urge the Treasury Department to do everything possible to streamline the reporting requirements under these sections in order to ease the compliance burden for employers, particularly those who are subject to the reporting requirements of both sections.

Finally, let me suggest that before issuing IRS Forms 1095-B and 1095-C, which correspond to sections 6055 and 6056, you convene a consumer council made up of representative businesses to "test drive" the proposed regulations and reporting forms to ensure they are simple and user-friendly. This kind of effort would afford affected constituencies more investment in the process and yield a better final product.

Thank you for your attention to this critical matter, and I look forward to working your department and my colleagues in Congress as we find ways to seamlessly implement the law.

Sincerely,



Angus S. King, Jr.  
United States Senator