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If you wish, you can submit comments about draft or final forms, instructions, or publications on the Comment on Tax Forms and Publications page on IRS.gov. We cannot respond to all comments due to the high volume we receive, but we will carefully consider each one. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.

2014 Instructions for Form 8962

Department of the Treasury
Internal Revenue Service

Premium Tax Credit (PTC)

*Complete Form 8962 **only** for health insurance coverage in a qualified health plan (described later) purchased through a Health Insurance Marketplace (also known as an Exchange). This includes a qualified health plan purchased on healthcare.gov.*

Future Developments

For the latest information about developments related to Form 8962 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form8962*.

Reminder for 2015

Report changes in circumstances. If advance payments of the premium tax credit (APTC) are made during the year for an individual in your tax family (described later) and you have certain changes in circumstances (see the examples below), it is important that you report them to the Marketplace where you enrolled in the qualified health plan. Reporting changes in circumstances promptly will allow the Marketplace to adjust your APTC to more accurately reflect the premium tax credit (PTC) you are estimated to be able to take on your tax return. Adjusting your APTC during the year can help you avoid owing tax when you file your tax return. Changes that you should report to the Marketplace include the following.

- Changes in household income.
- Birth or adoption.
- Marriage or divorce.
- Moving to a different address.
- Gaining or losing eligibility for other health care coverage.
- Gaining, losing, or other changes to employment.
- Other changes affecting income and tax family.

General Instructions

Purpose of Form

Use Form 8962 to figure the amount of your PTC and reconcile it with any APTC paid.

What is the Premium Tax Credit (PTC)?

Premium tax credit (PTC). The PTC is a tax credit for certain people who enroll, or whose family member enrolls, in a qualified health plan offered through a Marketplace. The credit provides financial assistance to pay the premiums by reducing the amount of tax you owe, giving you a refund, or increasing your refund amount. You must file Form 8962 to compute and take the PTC on your tax return.

Advance payment of the premium tax credit (APTC). APTC is a payment made for coverage during the year to your insurance provider that pays for part or all of the premiums for the coverage of you or an individual in your tax family. Your APTC eligibility is based on the Marketplace's estimate of the PTC you will be able to take on your tax return. If APTC was paid for an individual in your tax family, you must file Form 8962 to reconcile (compare) this APTC with your PTC. If the APTC is more than your PTC, you have excess APTC and you must repay the excess, subject to certain limitations. If your PTC is more than the APTC, you can reduce your tax payment or increase your refund by the difference.

Note. The Marketplace determined your eligibility for 2014 APTC using projections of your income and number of personal exemptions when you enrolled in a qualified health plan. If this information changed during 2014 and you did not promptly report it to the Marketplace, the amount of APTC paid may be substantially different from the amount of PTC you can take on your tax return. See *Report changes in circumstances*, earlier, for changes that can affect the amount of your PTC.

Additional Information

You will need Form 1095-A, Health Insurance Marketplace Statement, to complete Form 8962. The Marketplace is required to provide or send Form 1095-A to the tax filer(s) identified in the enrollment application no later than January 31, 2015. If you are the tax filer expecting to receive Form 1095-A for a qualified health plan and you do not receive it by early February, contact the Marketplace.

Under certain circumstances, the Marketplace will provide Form 1095-A to one taxpayer, but another taxpayer will also need the information from that form to complete Form 8962. The recipient of Form 1095-A should provide a copy to other taxpayers as needed.

For additional information on the PTC, see Publication 974, Premium Tax Credit (PTC) (currently under development). You can also visit *www.irs.gov* and enter "premium tax credit" in the search box.

Who Must File

You must file Form 8962 with your income tax return (Form 1040, Form 1040A, or Form 1040NR) if any of the following apply to you:

- You are taking the PTC.
- APTC was paid for you or another individual in your tax family.
- APTC was paid for an individual for whom you told the Marketplace you would claim a personal exemption, if no one else claims a personal exemption for that individual. See *Individual you enrolled for whom no taxpayer will claim a personal exemption* under *Lines 12 through 23—Monthly Calculation*, later.

If you want to take the PTC or if APTC was paid for you or anyone in your tax family, you must file an income tax return and attach Form 8962 even if you are not otherwise required to file. You must file Form 1040, Form 1040A, or Form 1040NR.

If you are filing Form 8962, you cannot file Form 1040EZ, 1040NR-EZ, Form 1040-SS, or Form 1040-PR.

If someone else enrolled in coverage an individual in your tax family, and APTC was paid for that individual's coverage, you must file Form 8962 to reconcile the APTC. You need to obtain the Form 1095-A from the person who enrolled the individual.

Who Can Take the PTC

You can take the PTC for 2014 if you meet all of the following requirements.

1. At some time during the year, one or more individuals in your tax family:

a. Were enrolled in one or more qualified health plans offered through the Marketplace; and

b. For the same months, were not eligible for minimum essential health coverage (other than coverage in the individual market). See *Minimum essential coverage* below.

2. You are an applicable taxpayer. To be an applicable taxpayer, you must meet all of the following.

a. Your household income is at least 100% but no more than 400% of the Federal poverty line for your family size for 2014 (see *Household income below 100% of the Federal poverty line*, later, for certain exceptions).

b. No one can claim you as a dependent on their tax return for 2014.

c. If you were married at the end of 2014, you must generally file a joint return. However, filing a separate return from your spouse will not disqualify you from being an applicable taxpayer if you meet certain requirements described under *Married taxpayers*, later.

For additional requirements and more details, see *Applicable taxpayer*, later.

Terms You May Need to Know

Tax family. For purposes of the PTC, your tax family consists of the individuals for whom you claim a personal exemption on your tax return (you, your spouse with whom you are filing a joint return, and your dependents). Your personal exemptions are reported on your Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d. Your family size equals the number of individuals in your tax family.

Household income. For purposes of the PTC, household income is the modified adjusted gross income (modified AGI) of you and your spouse (if filing a joint return) (see *Line 2a*, later) plus the sum of the modified AGI for all other individuals in your tax family who are required to file a tax return (see *Line 2b*, later). Household income does not include the modified AGI for those individuals in your tax family who are filing a 2014 return only to claim a refund of withheld income tax or estimated tax.

Modified AGI. For purposes of the PTC, modified AGI is the AGI on your tax return plus certain income that is not subject to tax (foreign earned income, tax-exempt interest, and social security benefits not included in income). Use the *Taxpayer's Modified AGI Worksheet—Line 2a* and the *Dependents' Combined Modified AGI Worksheet—Line 2b*, later, to determine your modified AGI.

Monthly credit amount. The monthly credit amount is the amount of assistance in paying premiums for a month. Your PTC for the year is the sum of all of your monthly credit amounts. Your credit amount for each month is the lesser of:

- The enrollment premiums (described next) for the month for one or more qualified health plans in which you or any individual in your tax family enrolled; or
- The amount of the monthly premium for your applicable second lowest cost silver plan (SLCSP) (described later) less your monthly contribution amount (described later).

Enrollment premiums. The enrollment premiums are the total amount of the premiums for the month for one or more qualified health plans in which any individual in your tax family enrolled. Form 1095-A, Part III, Column A, reports the enrollment premiums.

You are not allowed a monthly credit amount for the month if the portion of the enrollment premium for which you are responsible that month has not been paid by the due date of your tax return (not including extensions). Premiums another person pays on your behalf are treated as paid by you.

Premium for the applicable SLCSP. The premium for the applicable SLCSP is the second lowest cost silver plan premium (based on age) offered through the Marketplace where you reside that applies to your coverage family (described below). The premium for the applicable SLCSP is not the same as your enrollment premium, unless you enroll in the applicable SLCSP. Form 1095-A, Part III, Column B, reports the premium for the applicable SLCSP.

Monthly contribution amount. Your monthly contribution amount is the amount you would be required to pay as your share of premiums each month if you enrolled in the applicable SLCSP in the Marketplace. Your monthly contribution amount is not related to the amount of premiums you are paying out of pocket. You will compute your monthly contribution amount in Part 1 of Form 8962.

Coverage family. Your coverage family includes all individuals in your tax family who are enrolled in a qualified health plan and are not eligible for minimum essential coverage (other than coverage in the individual market). The individuals included in your coverage family may change from month to month. If individuals in your tax family are not enrolled in a qualified health plan, or are enrolled in a qualified health plan but are eligible for minimum essential coverage (other than coverage in the individual market), generally they are not part of your coverage family.

Your applicable SLCSP is the SLCSP that applies to your coverage family. Your PTC is only available to help you pay for the coverage of the individuals included in your coverage family.

Child born or adopted or placed with you for foster care during the month. If you enroll a newborn child (or a child newly adopted or placed with you for foster care) in a qualified health plan, the child is treated as enrolled as of the first day of the month the child was born, adopted, or placed with you for foster care. The child is included in your coverage family for the month of birth, adoption, or foster care placement.

Qualified health plan. For purposes of the PTC, a qualified health plan is a health insurance plan or policy purchased through a Marketplace at the Bronze, Silver, Gold, or Platinum level. Plans sold as "catastrophic" coverage and plans purchased through the Small Business Health Options Program (SHOP) do not qualify a taxpayer to take the PTC. Throughout these instructions, a qualified health plan is also referred to as a policy.

Minimum essential coverage. Under the health care law, certain health coverage is called minimum essential coverage. You cannot claim the PTC for any individual in your tax family for any month when that individual is eligible for minimum essential coverage, except for coverage purchased through the individual market. Other types of minimum essential coverage include:

- Most government-sponsored programs (including comprehensive Medicaid, Medicare parts A or C, and the Children's Health Insurance Program (CHIP)).
- Most employer-sponsored coverage (if the premiums are affordable and the deductibles and co-pays are no more than a certain amount).
- Other health coverage the Department of Health and Human Services designates as minimum essential coverage.

Coverage purchased in the individual market outside the Marketplace is minimum essential coverage, but it does not qualify for the PTC.

For more details on minimum essential coverage, see *Minimum essential coverage* in Pub. 974. You can also check www.irs.gov/uac/Individual-Shared-Responsibility-Provision for future updates about types of coverage that are recognized as minimum essential coverage.

Example. You, your spouse, and your two children whom you claim as dependents are enrolled in a qualified health plan. Your children are eligible for coverage under CHIP. Your family size is four, consisting of you, your spouse, and your children. Your coverage family has only two members, you and your spouse. Your children are not part of the coverage family because they are eligible for CHIP, which is minimum essential coverage. You can enroll your children in a qualified health plan, but the PTC provides financial assistance for the coverage of only you and your spouse.

Applicable taxpayer. You must be an applicable taxpayer to claim the PTC. Generally, you are an applicable taxpayer if your household income (described earlier) is at least 100% but not more than 400% of the Federal poverty line for your family size for 2014 (provided in Tables 1-1, 1-2, and 1-3, later) and no one can claim you as a dependent for 2014. In addition, if you were married at the end of 2014, you must file a joint return to be an applicable taxpayer unless you meet one of the situations described in *Married taxpayers* below.

For individuals with household income below 100% of the Federal poverty line, see *Household income below 100% of the Federal poverty line* under *Line 6*, later.

Individuals who are incarcerated or not lawfully present. Individuals who are not lawfully present in the United States or are incarcerated (other than pending disposition of charges, for example, awaiting trial) are not eligible to enroll in a qualified health plan through a Marketplace. However, these individuals may be applicable taxpayers and claim the PTC for the coverage of an individual in their tax family who is eligible to enroll in a qualified health plan. See Pub. 974 for more information.

If you are not an applicable taxpayer, you are not eligible for the PTC. You may have to repay APTC paid for the coverage of yourself or any member of your tax family.

Married taxpayers. If you are married, you generally must file a joint return with your spouse to take the PTC unless one of the two situations below applies to you. However, you are treated as unmarried for federal income tax purposes if you are divorced or legally separated according to your state law under a decree of divorce or separate maintenance or *Situation 1* applies to you. If your filing status is married filing separately, you can take the PTC if *Situation 2* applies to you.

Situation 1. If you were not legally separated under a decree of divorce or separate maintenance at the end of 2014, you can file a separate return from your spouse and claim the PTC if you meet one of the following.

- You file a separate return from your spouse on Form 1040 or Form 1040A because you meet the requirements for *Married persons who live apart* under *Head of Household* in the instructions for Form 1040 or Form 1040A.
- You file as single on your Form 1040NR because you meet the requirements for *Married persons who live apart* under *Were You Single or Married?* in the instructions for Form 1040NR.

Situation 2. If you are a victim of domestic abuse or spousal abandonment, you can take the PTC if you file a return as married filing separately and meet all of the following.

- You are living apart from your spouse at the time you file your 2014 tax return.
- You are unable to file a joint return because you are a victim of domestic abuse (described next) or spousal abandonment (described below).
- You certify on your return that you are a victim of domestic abuse or spousal abandonment.

Domestic abuse. Domestic abuse includes physical, psychological, sexual, or emotional abuse, including efforts to control, isolate, humiliate, and intimidate, or to undermine the victim's ability to reason independently. All the facts and circumstances are considered in determining whether an individual is abused, including the effects of alcohol or drug abuse by the victim's spouse. Depending on the facts and circumstances, abuse of the victim's child or other family member living in the household may constitute abuse of the victim.

Spousal abandonment. A taxpayer is a victim of spousal abandonment for a tax year if, taking into account all facts and circumstances, the taxpayer is unable to locate his or her spouse after reasonable diligence.

To certify that you are eligible for an exception to the requirement to file a joint return under Situation 2, check the **"Relief"** box in the top right-hand corner of Form 8962. Do not attach documentation of the abuse or abandonment to your tax return. Keep any documentation you may have with your tax return records. For examples of what documentation to keep, see Pub. 974.

Married filing separately. If you file as married filing separately and are not a victim of domestic abuse or spousal abandonment (see *Situation 2* under *Married taxpayers*, earlier), then you are not an applicable taxpayer and you cannot take the PTC. You must generally repay all APTC paid for a qualified health plan that covered only individuals in your tax family, and one-half of the APTC paid for a policy that covered at least one individual in your tax family and at least one individual in your spouse's tax family. However, the amount of APTC you have to repay may be limited. See the instructions for line 28, later.

Specific Instructions

Name. Print or type your name exactly as you entered it on your tax return. If you are married and filing a joint return, enter the first name that appears on your return.

Social security number. The social security number on this form should match the social security number on your tax return. If you are married and filing a joint return, enter the first social security number that appears on your tax return.

Relief. Check this box if you are filing as married filing separately and you are a victim of domestic abuse or spousal abandonment (see *Situation 2* under *Married taxpayers*, earlier). By checking this box, you are certifying that you qualify for relief from filing a joint return with your spouse.

Married filing separately. If you do not qualify for relief from filing a joint return, you cannot take the PTC on a married filing separately return. Complete lines 1 through 5 to figure your separate household income as a percentage of the Federal poverty line. Skip lines 6 through 8b and complete lines 9 and 10. When completing line 11 or lines 12 through 23, complete only Column F. Then complete the rest of the form to determine how much you must repay.

Part 1—Annual and Monthly Contribution Amount

Line 2a

Enter your modified AGI on line 2a. Use the worksheet next to figure your modified AGI from your tax return.

Taxpayer's Modified AGI Worksheet—Line 2a

1. Enter your adjusted gross income (AGI) from Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 37		**1.** ______
2. Enter any tax-exempt interest from Form 1040, line 8b; Form 1040A, line 8b; or Form 1040NR, line 9b	**2.** ______	
3. Enter any amounts from Form 2555, lines 45 and 50, and Form 2555-EZ, line 18	**3.** ______	
4. Enter the difference, if any, between Form 1040, lines 20a and 20b; or Form 1040A, lines 14a and 14b	**4.** ______	
5. Add lines 2 through 4		**5.** ______
6. Add lines 1 and 5. Enter here and on Form 8962, line 2a		**6.** ______

Line 2b

Enter the modified AGI for all of your dependents on line 2b. Use the worksheet next to figure the combined modified AGI for the dependents claimed as exemptions on your return. Only include the modified AGI of those dependents who are required to file a return. Do not include the modified AGI of dependents who are filing a tax return only to claim a refund of tax withheld or estimated tax.

Dependents' Combined Modified AGI Worksheet—Line 2b

1. Enter the AGI for your dependents from Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 3; and Form 1040NR, line 37		**1.** ______
2. Enter any tax-exempt interest for your dependents from Form 1040, line 8b; Form 1040A, line 8b; Form 1040EZ, the amount written to the left of the line 2 entry space; and Form 1040NR, line 9b	**2.** ______	
3. Enter any amounts for your dependents from Form 2555, lines 45 and 50, and Form 2555-EZ, line 18	**3.** ______	
4. Enter for each of your dependents the difference, if any, between Form 1040, lines 20a and 20b; and Form 1040A, lines 14a and 14b	**4.** ______	
5. Add lines 2 through 4		**5.** ______
6. Add lines 1 and 5. Enter here and on Form 8962, line 2b		**6.** ______

Line 4

Enter on line 4 the amount from the table that represents the Federal poverty line for the family size you entered on line 1 of Form 8962. Use the table for your state of residence in 2014. If you moved at all during 2014 and you lived in Alaska and/or Hawaii, or if filing jointly, you and your spouse lived in different states, use the table with the higher amount of income for your family size.

Table 1-1. Federal Poverty Line for the 48 Contiguous States and the District of Columbia

IF your Family Size* from Form 8962, line 1, was . . .	**THEN** enter the amount below on Form 8962, line 4 . . .
1	$11,490
2	$15,510
3	$19,530
4	$23,550
5	$27,570
6	$31,590
7	$35,610
8	$39,630

*If your family size was more than 8 people, add $4,020 for each additional person. For example, if your family size is 11, you have 3 additional people. Multiply $4,020 by 3 and add the result of $12,060 to $39,630. Enter the result of $51,690 on Form 8962, line 4.

Table 1-2. Federal Poverty Line for Alaska

IF your Family Size* from Form 8962, line 1, was . . .	**THEN** enter the amount below on Form 8962, line 4 . . .
1	$14,350
2	$19,380
3	$24,410
4	$29,440
5	$34,470
6	$39,500
7	$44,530
8	$49,560

*If your family size was more than 8 people, add $5,030 for each additional person. For example, if your family size is 11, you have 3 additional people. Multiply $5,030 by 3 and add the result of $15,090 to $49,560. Enter the result of $64,650 on Form 8962, line 4.

Table 1-3. Federal Poverty Line for Hawaii

IF your Family Size* from Form 8962, line 1, was . . .	**THEN** enter the amount below on Form 8962, line 4 . . .
1	$13,230
2	$17,850
3	$22,470
4	$27,090
5	$31,710
6	$36,330
7	$40,950
8	$45,570

*If your family size was more than 8, add $4,620 for each additional person. For example, if your family size is 11, you have 3 additional people. Multiply $4,620 by 3 and add the result of $13,860 to $45,570. Enter the result of $59,430 on Form 8962, line 4.

Line 5

Divide the amount on line 3 by the amount on line 4 to figure your household income as a percentage of the Federal poverty line. Is the result between 1.00 and 3.99?

☐ **YES.** Round up or down to the nearest whole percentage. For example, for 1.854, enter the result as 185; for 3.565, enter the result as 357.

☐ **NO.** See *Special rounding rules* next.

Special rounding rules. If the result is less than 1.00 or more than 3.99, round the result as follows.

- For any amount less than 1.00, round **down** to the nearest whole percentage. For example, for .996, enter the result as 99.
- For any amount between 3.99 and 4.00, round **down** to 399. For example, for 3.998, enter the result as 399.
- For any amount more than 4.00 but no more than 9.99, round **up** to the nearest whole percentage. For example, for 4.004, enter the result as 401.
- For an amount more than 9.99, enter the result as 999. For example, for 10.456, enter the result as 999.

Line 6

If the amount on line 5 is at least 100 but no more than 400, check the **"Yes"** box on line 6 and continue to line 7. If the amount on line 5 is less than 100, see *Household income below 100% of the Federal poverty line* next to determine if you qualify for the PTC. If the amount on line 5 is more than 400, you are not eligible for the PTC. Check the **"No"** box and see *Household income above 400% of the Federal poverty line*, later, for instructions on how to repay any APTC paid for your coverage.

Household income below 100% of the Federal poverty line. If the amount on line 5 is less than 100, you can take the PTC if you meet the requirements under *Estimated household income at least 100% of the Federal poverty line* next or *Alien lawfully present in the United States*, later.

Estimated household income at least 100% of the Federal poverty line. You qualify for the PTC even if your household income is less than 100% of the Federal poverty line if you meet all of the following requirements.

- You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
- The Marketplace estimated at the time of your enrollment that your household income would be between 100% and 400% of the Federal poverty line for your family size for 2014.
- APTC is paid for the coverage for one or more months during 2014.
- You otherwise qualify as an applicable taxpayer (without taking into account the Federal poverty line percentage).

Alien lawfully present in the United States. Certain aliens with household income below 100% of the Federal poverty line are not eligible for Medicaid because of their immigration status. You qualify for the PTC even if your household income is less than 100% of the Federal poverty line if you meet all of the following requirements.

- You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
- The enrolled individual is lawfully present in the United States **and** is not eligible for Medicaid.
- You otherwise qualify as an applicable taxpayer (without taking into account the Federal poverty line percentage).

If you did not meet the requirements under *Estimated household income at least 100% of the Federal poverty line* or *Alien lawfully present in the United States*, you are not an applicable taxpayer and you are not eligible to take the PTC.

Household income above 400% of the Federal poverty line. If the amount on line 5 is more than 400, you cannot take the PTC. You must repay the APTC paid for all individuals in your tax family. Skip lines 7 and 8, and go to line 9.

If you qualify for the alternative calculation for year of marriage (see the instructions for line 9, later), you may be able to reduce the amount of APTC you have to repay. If you enrolled an individual for whom another taxpayer will claim a personal exemption, the other taxpayer may be responsible to repay all or part of the APTC (see the instructions for line 9, later).

Line 7

Enter on line 7 the decimal number from Table 2. Applicable Figure next that applies to the amount you entered on line 5. This number is used to calculate your contribution amount.

Table 2. Applicable Figure

TIP *If the amount on line 5 is less than 133, your applicable figure is .0200. If the amount on line 5 is between 300 through 400, your applicable figure is .0950.*

IF Form 8962, line 5 is . . .	**ENTER** on Form 8962, line 7 . . .	**IF** Form 8962, line 5 is . . .	**ENTER** on Form 8962, line 7 . . .	**IF** Form 8962, line 5 is . . .	**ENTER** on Form 8962, line 7 . . .	**IF** Form 8962, line 5 is . . .	**ENTER** on Form 8962, line 7 . . .
less than 133	0.0200	175	0.0515	218	0.0693	261	0.0837
133	0.0300	176	0.0520	219	0.0697	262	0.0840
134	0.0306	177	0.0524	220	0.0700	263	0.0843
135	0.0312	178	0.0529	221	0.0704	264	0.0846
136	0.0318	179	0.0533	222	0.0707	265	0.0849
137	0.0324	180	0.0538	223	0.0711	266	0.0851
138	0.0329	181	0.0543	224	0.0714	267	0.0854
139	0.0335	182	0.0547	225	0.0718	268	0.0857
140	0.0341	183	0.0552	226	0.0721	269	0.0860
141	0.0347	184	0.0556	227	0.0725	270	0.0863
142	0.0353	185	0.0561	228	0.0728	271	0.0866
143	0.0359	186	0.0566	229	0.0732	272	0.0869
144	0.0365	187	0.0570	230	0.0735	273	0.0872
145	0.0371	188	0.0575	231	0.0739	274	0.0875
146	0.0376	189	0.0579	232	0.0742	275	0.0878
147	0.0382	190	0.0584	233	0.0746	276	0.0880
148	0.0388	191	0.0589	234	0.0749	277	0.0883
149	0.0394	192	0.0593	235	0.0753	278	0.0886
150	0.0400	193	0.0598	236	0.0756	279	0.0889
151	0.0405	194	0.0602	237	0.0760	280	0.0892
152	0.0409	195	0.0607	238	0.0763	281	0.0895
153	0.0414	196	0.0612	239	0.0767	282	0.0898
154	0.0418	197	0.0616	240	0.0770	283	0.0901
155	0.0423	198	0.0621	241	0.0774	284	0.0904
156	0.0428	199	0.0625	242	0.0777	285	0.0907
157	0.0432	200	0.0630	243	0.0781	286	0.0909
158	0.0437	201	0.0634	244	0.0784	287	0.0912
159	0.0441	202	0.0637	245	0.0788	288	0.0915
160	0.0446	203	0.0641	246	0.0791	289	0.0918
161	0.0451	204	0.0644	247	0.0795	290	0.0921
162	0.0455	205	0.0648	248	0.0798	291	0.0924
163	0.0460	206	0.0651	249	0.0802	292	0.0927
164	0.0464	207	0.0655	250	0.0805	293	0.0930
165	0.0469	208	0.0658	251	0.0808	294	0.0933
166	0.0474	209	0.0662	252	0.0811	295	0.0936
167	0.0478	210	0.0665	253	0.0814	296	0.0938
168	0.0483	211	0.0669	254	0.0817	297	0.0941
169	0.0487	212	0.0672	255	0.0820	298	0.0944
170	0.0492	213	0.0676	256	0.0822	299	0.0947
171	0.0497	214	0.0679	257	0.0825	300 thru 400	0.0950
172	0.0501	215	0.0683	258	0.0828		
173	0.0506	216	0.0686	259	0.0831		
174	0.0510	217	0.0690	260	0.0834		

Part 2—Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit

Line 9

If any of the following apply, continue with the instructions for line 9 below.

- You or an individual in your tax family was enrolled in a qualified health plan by someone outside your tax family.
- You or an individual in your tax family enrolled someone outside your tax family in a qualified health plan.
- You got married during 2014.

If none of the above applies, check the **"No"** box on line 9 and go to line 10. If you did not check the **"No"** box, determine whether you must complete Part 4, Part 5, or both.

- You will complete Part 4 if you must allocate the amounts from one qualified health plan between two different tax families. If one policy covered at least one individual in your tax family and at least one individual outside your tax family, see Table 3. Shared Policy Allocation—Line 9 below to determine whether you must complete Part 4.
- If you got married during the year and APTC was paid for an individual in your tax family, you may be eligible to complete Part 5 to elect an optional calculation that may reduce the amount of excess APTC you would have to repay under the general rules. If you got married during the year, see Table 4. Alternative Calculation for Year of Marriage Eligibility, later, to determine whether you qualify for the alternative computation.

Note. If both Part 4 and Part 5 apply to you, complete Part 4 first.

Table 3. Shared Policy Allocation—Line 9

Follow Steps 1–5 below to determine whether you need to complete *Part 4—Shared Policy Allocation*, later, for each qualified health plan that covers at least one individual in your tax family and at least one individual **not** in your tax family. For each policy, if your answer directs you to Part 4, **STOP**. Do not complete the remaining steps for that policy.

STEP 1: Complete if You Divorced or Legally Separated from Your Spouse in 2014

1. Did the policy cover at least one individual in your tax family **AND** cover at least one individual in your former spouse's tax family?

☐ **Yes.** You must allocate the policy amounts. Check the **"Yes"** box on Form 8962, line 9, and skip to *Part 4—Shared Policy Allocation*.

☐ **No.** Continue to Step 2.

STEP 2: Complete if You were Married at the End of 2014 but are Filing a Separate Return from Your Spouse*

2. Did the policy cover at least one individual in your tax family **AND** cover at least one individual in your spouse's tax family?

☐ **Yes.** You must allocate the policy amounts. Check the **"Yes"** box on Form 8962, line 9, and skip to *Part 4—Shared Policy Allocation*.

☐ **No.** Continue to Step 3.

*Also use this Step 2 if you meet the rules in *Situation 1* or *Situation 2* under *Married taxpayers*, earlier.

STEP 3: Complete if Another Taxpayer will Claim the Personal Exemption for an Individual You Enrolled in a Policy

3.a. Did the policy cover at least one individual in your tax family **AND** cover at least one individual whom you enrolled in the policy **but** who will be in another taxpayer's tax family*?

☐ **Yes.** Continue to question 3b.

☐ **No.** Go to Step 4.

b. Did you indicate to the Marketplace at enrollment in the policy that you intended to claim the personal exemption(s) for the individual(s) in 3a above whom you enrolled but for whom another taxpayer will claim a personal exemption?

☐ **Yes.** You must allocate the policy amounts. Check the **"Yes"** box on Form 8962, line 9, and skip to *Part 4—Shared Policy Allocation*.

☐ **No.** Continue to Step 4.

*If no one claims the personal exemption for an individual you enrolled in a policy **and** you indicated to the Marketplace that you would claim the individual's personal exemption, you are responsible for reconciling any APTC paid on behalf of the individual. See *Individual you enrolled for whom no taxpayer will claim a personal exemption* under *Lines 12 through 23—Monthly Calculation*, later. You do not need to complete Part 4 for this policy. If you got married in 2014, continue to Table 4, later. Otherwise, check the **"No"** box on Form 8962, line 9, and continue to line 10.

STEP 4: Complete if You are Claiming the Personal Exemption for an Individual Another Taxpayer Enrolled in a Policy

4. Did the policy cover at least one individual in your tax family **but** whom another person enrolled in the policy **AND** cover at least one individual not in your tax family?

☐ **Yes.** You must allocate the policy amounts. Check the **"Yes"** box on Form 8962, line 9, and skip to *Part 4—Shared Policy Allocation*.

☐ **No.** Continue to Step 5.

STEP 5: Complete for Other Allocation Scenarios

5.a. Did the policy cover at least one individual in your tax family **AND** cover at least one individual **not** in your tax family?

☐ **Yes.** Continue to question 5b.

☐ **No. STOP.** You do not need to complete Part 4. If you got married in 2014, continue to Table 4, later. Otherwise, check the **"No"** box on Form 8962, line 9, and continue to line 10.

b. Does the information provided to the Marketplace at enrollment regarding who would claim the personal exemptions for covered individuals match who will claim the personal exemptions for those individuals for 2014?

☐ **Yes.** Continue to question 5c.

☐ **No.** You must allocate the policy amounts. Check the **"Yes"** box on Form 8962, line 9, and skip to *Part 4—Shared Policy Allocation*.

c. Did each tax family receive a separate Form 1095-A **AND** did each Form 1095-A have an APTC amount shown on Form 1095-A, line 33, column C?

☐ **Yes. STOP.** You do not need to complete Part 4. If you got married in 2014, continue to Table 4, later. Otherwise, check the **"No"** box on Form 8962, line 9, and continue to line 10.

☐ **No.** You must allocate the policy amounts. Check the **"Yes"** box on Form 8962, line 9, and skip to *Part 4—Shared Policy Allocation*.

Table 4. Alternative Calculation for Year of Marriage Eligibility

Answer questions 1–5 below to determine whether you may be eligible to elect the alternative calculation for year of marriage.

1 Were you married on December 31, 2014?

☐ **Yes.** Continue to the next question in this table.

☐ **No.** You are not eligible to elect the alternative calculation. Check the **"No"** box on Form 8962, line 9, and continue to line 10.

2 Are you filing a joint return with your spouse for 2014?

☐ **Yes.** Continue to the next question in this table.

☐ **No.** You are not eligible to elect the alternative calculation. Check the **"No"** box on Form 8962, line 9, and continue to line 10.

3 Were you and your spouse each unmarried on January 1, 2014?

☐ **Yes.** Continue to the next question in this table.

☐ **No.** You are not eligible to elect the alternative calculation. Check the **"No"** box on Form 8962, line 9, and continue to line 10.

4 Was anyone in your tax family enrolled in a qualified health plan before your first full month of marriage? (For example, if you got married on July 15th, your first full month of marriage was August.)

☐ **Yes.** Continue to the next question in this table.

☐ **No.** You are not eligible to elect the alternative calculation. Check the **"No"** box on Form 8962, line 9, and continue to line 10.

5 Was APTC paid for you, your spouse, or a dependent during 2014?

☐ **Yes.** Continue to the Alternative Calculation for Marriage Eligibility Worksheet next to determine whether excess APTC was paid during 2014. If excess APTC was paid, you are eligible to elect the alternative calculation. If the amount you entered on Form 8962, line 5, is more than 400, do not complete the Alternative Calculation for Marriage Eligibility Worksheet. See *Alternative Calculation for Year of Marriage* in Pub. 974 to determine if electing the alternative calculation reduces your repayment amount.

☐ **No.** You are not eligible to elect the alternative calculation. Check the **"No"** box on Form 8962, line 9, and continue to line 10.

Alternative Calculation for Marriage Eligibility Worksheet

Complete this worksheet to determine whether you received excess APTC in 2014.

If Part 4—Shared Policy Allocation *applies to you, do* **not** *complete this worksheet until you have completed Part 4.*

Monthly Calculation	A. Form(s) 1095-A, lines 21–32, column A*	B. Form(s) 1095-A, lines 21–32, column B**	C. Form 8962, line 8b	D. Subtract column C from column B	E. Smaller of column A or column D	F. Form(s) 1095-A, lines 21–32, column C***
1 January						
2 February						
3 March						
4 April						
5 May						
6 June						
7 July						
8 August						
9 September						
10 October						
11 November						
12 December						
13 **Totals:** Enter the total of column E, lines 1–12, and the total of column F, lines 1–12						

14 Is line 13, column E, less than line 13, column F?

☐ **Yes.** Excess APTC was paid in 2014. You are eligible to elect the alternative calculation. See *Alternative Calculation for Year of Marriage* in Pub. 974 to determine if electing the alternative calculation reduces your repayment amount.

☐ **No.** There was no excess APTC paid in 2014. You are not eligible to elect the alternative calculation. Check the **"No"** box on Form 8962, line 9, and continue to line 10. If you are required to use lines 12 through 23 of Form 8962, enter the amounts from lines 1 through 12 of this worksheet in the lines for the corresponding months and columns on Form 8962.

*See Column A under *Lines 12 through 23—Monthly Calculation*, later, for instructions for the amounts to enter on lines 1 through 12, column A, of this worksheet. These are the amounts of the monthly premiums reported on Form(s) 1095-A, lines 21 through 32, column A.

**See Column B under *Lines 12 through 23—Monthly Calculation*, later, for instructions for the amounts to enter on lines 1 through 12, column B, of this worksheet. These are the amounts of the monthly premium for the applicable SLCSP reported on Form(s) 1095-A, lines 21 through 32, column B.

***See Column F under *Lines 12 through 23—Monthly Calculation*, later, for instructions for the amounts to enter on lines 1 through 12, column F, of this worksheet. These are the amounts of the monthly APTC reported on Form(s) 1095-A, lines 21 through 32, column C.

Line 10

Full-year coverage with no changes in columns A or B of Form 1095-A. Check the **"Yes"** box on line 10 if all of the following apply for each Form 1095-A you received. Otherwise, check the **"No"** box.

- You had coverage for all 12 months during 2014 (January through December).
- The same amount is reported in column A, lines 21 through 32.
- The same amount is reported in column B, lines 21 through 32.
- Your coverage family did not change for any month in 2014. See *Exceptions* next if your coverage family changed during 2014 and you did not notify the Marketplace.

Exceptions. If during 2014, your coverage family changed and you did not notify the Marketplace, the premium for the applicable SLCSP reported on your Form(s) 1095-A, column B, may not be accurate. Your premium for the applicable SLCSP may change for any month that one of the following applies.

- You enroll an individual newly added to your tax family (for example, a newborn).
- An individual is no longer enrolled in your qualified health plan.
- An individual included in your coverage family becomes eligible for or loses eligibility for employer coverage or other minimum essential coverage.
- You will claim the personal exemption for an individual, but you did not indicate to the Marketplace at enrollment that you would do so.
- You indicated to the Marketplace at enrollment that you would claim the personal exemption for an individual, but you will not claim that individual's personal exemption.
- An individual enrolled in the coverage dies but you do not remove the individual from the policy.
- You moved during the year.

If any of the above apply and you did not notify the Marketplace, you must determine your correct premium for the applicable SLCSP for the months affected. See Pub. 974 for information on determining your correct premium for the applicable SLCSP. See the examples next.

If you checked the **"Yes"** box on line 10, complete line 11. If you checked the **"No"** box, complete lines 12–23.

Example 1. Mike and Susan enroll together in a qualified health plan through the Marketplace. They receive one Form 1095-A, which reports $800 for the enrollment premium in column A on lines 21 through 32 and $850 for the applicable SLCSP premium in column B on lines 21 through 32. They check the **"Yes"** box on line 10 and complete line 11 since there is an amount for all 12 months and the amounts did not change for each of columns A and B.

Example 2. Same facts as *Example 1* above, but starting on August 1, 2014, Mike is eligible for Medicare and does not notify the Marketplace. Because Mike is eligible for other minimum essential coverage, their coverage family changed starting in August. As a result, Mike and Susan must update the premium for the applicable SLCSP reported in column B for the months of August through December (Form 1095-A, lines 28 through 32, column B). Since there will be a change for some months in column B, Mike and Susan must complete lines 12 through 23. Mike and Susan determine that the premium for the applicable SLCSP for the coverage family of one (Susan) for August through December is $400 each month. Mike and Susan enter $850 in Form 8962, lines 12 through 18, column B, and $400 in lines 19 through 23, column B.

Example 3. Lee receives one Form 1095-A, which reports in column A $1,000 on lines 21 through 32 and in column B $900 on lines 21 through 31. However, column B reports $650 on line 32 because an individual included in Lee's coverage family was eligible for other minimum essential coverage for the entire month of December and Lee reported the change to the Marketplace. Lee checks the **"No"** box on line 10 and completes lines 12 through 23.

CAUTION *If you were enrolled in a qualified health plan for fewer than 12 full months during 2014 (for example, you enrolled in January for coverage effective February 1, 2014), check the **"No"** box on line 10, and complete lines 12 through 23. This situation includes terminating a policy mid-month and receiving a reduced premium or refund for that month.*

Line 11—Annual Calculation

TIP *If you checked the **"No"** box on line 6, skip columns A through E, and see Column F below.*

Column A. Enter the annual premiums from Form 1095-A, line 33, column A. If you have more than one Form 1095-A, add the amounts together and enter the total in Form 8962, line 11, column A.

Column B. Enter the annual premium for the applicable SLCSP from Form 1095-A, line 33, column B. If you have more than one Form 1095-A, enter the following amount.

- For individuals enrolled in different qualified health plans in the same state, enter the amount from column B of **only one** Form 1095-A.
- For individuals enrolled in qualified health plans in different states, add the amounts from column B of the Forms 1095-A together and enter the total in Form 8962, line 11, column B.

If during 2014, your coverage family changed and you did not notify the Marketplace, or no APTC was paid, the premium for the applicable SLCSP reported on your Form 1095-A may not be accurate (or may not be reported by the Marketplace). If you must adjust the premium for the applicable SLCSP reported for any month on Form 1095-A, you cannot complete line 11. You must complete lines 12 through 23. See *Exceptions* under *Line 10* above to determine whether you must adjust the premium for the applicable SLCSP for any month reported on Form 1095-A.

Column C. Enter the amount from line 8a of Form 8962.

Column D. If column D is zero or less, enter -0-.

Column F. Enter the APTC amount from Form 1095-A, line 33, column C. If you have more than one Form 1095-A, add the amounts together and enter the total in Form 8962, line 11, column F.

Household income above 400% of the Federal poverty line. Because you cannot take the PTC and your household income is above 400% of the Federal poverty line, you must repay all APTC entered on line 11, column F. To complete the rest of the form, skip lines 12 through 24, and enter the amount from line 11, column F, on lines 25, 27, and 29. Enter the amount from line 29 on your Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44.

Lines 12 through 23—Monthly Calculation

TIP *If you checked the **"No"** box on line 6, skip columns A through E, and see Column F, later.*

Column A. Enter on lines 12 through 23, column A, the amount of the monthly premiums reported on Form 1095-A, lines 21 through 32, column A. If you have more than one Form 1095-A affecting a particular month, add the amounts together for that month and enter the total in the appropriate line in Form 8962, column A.

If you completed *Part 4—Shared Policy Allocation* for any Form 1095-A, include only the monthly premium amounts allocated to you, if any, using the allocation percentage you entered on lines 30 through 33, column e, and combine with the monthly premiums for other policies that you did not allocate.

Column B. Enter on lines 12 through 23, column B, the amount of the monthly premium for the applicable SLCSP reported on Form 1095-A, lines 21 through 32, column B. If you have more than one Form 1095-A affecting a particular month, enter the following amounts in the appropriate line on Form 8962, column B, for that month.

- For individuals enrolled in different qualified health plans in the same state, enter the amount from column B of **only one** Form 1095-A.
- For individuals enrolled in qualified health plans in different states, add the amounts from column B of Forms 1095-A together and enter the totals in Form 8962, lines 12 through 23, column B.
- If you completed *Part 4—Shared Policy Allocation* for any Form 1095-A, add the amounts of the premium for the applicable SLCSP allocated to you, if any, using the allocation percentage you entered on Form 8962, lines 30 through 33, column f, to the amount of the premium for your applicable SLCSP shown on the Form(s) 1095-A that you did not allocate.

If during 2014, your coverage family changed and you did not notify the Marketplace, or no APTC was paid, the premium for the applicable SLCSP reported on your Form(s) 1095-A may not be accurate. See *Exceptions* under *Line 10*, earlier, to determine whether you must adjust the premium for the applicable SLCSP for any month reported on Form 1095-A.

Column C. If you did not complete *Part 5—Alternative Calculation for Year of Marriage*, enter on lines 12 through 23, column C, your monthly contribution amount from line 8b. If columns A and B of any of lines 12 through 23 are blank, leave column C of the corresponding line blank.

If you completed *Part 5—Alternative Calculation for Year of Marriage*, see Pub. 974 on how to complete column C.

Column D. If an entry for column D is zero or less, enter -0-.

Column E. Generally, enter for each month the lesser of the amount in column A and the amount in column D for that month. However, see *Qualified health plan terminated mid-month* next for a special rule for a mid-month termination of a policy.

Qualified health plan terminated mid-month. You must prorate the credit amount for a month that both of the following apply.

- All enrollees in a qualified health plan terminated the coverage before the last day of the month.
- The issuer of the policy reduced the premium for that month or issued you a refund for the remainder of that month.

If both of the above apply, you must prorate the monthly credit amounts for that month. Multiply the applicable SLCSP premium (column B), the contribution amount (line 8b), and the enrollment premium (column A) for the full month by this fraction: the number of days in the month of enrollment divided by the number of days in the month. See *Example* next.

Example. John is single with no dependents and enrolls in a qualified health plan starting January 1, 2014, with a monthly premium of $450. In September 2014, John enrolls in an employer-sponsored plan and terminates his coverage in the policy on September 10, 2014. The issuer of the policy refunds 2/3 of the monthly premium for September. John completes Form 8962, lines 12 through 20. John's monthly credit amount for January through August is $300, the lesser of $450 (enrollment premium, column A) or $300 (monthly premium for the applicable SLCSP, column B less the monthly contribution amount on line 8b). For September, John has only 10 days of coverage under the policy. John's monthly credit amount for September is $100 ($300 for a full month of coverage x 10/30).

Column F. Enter on lines 12 through 23, column F, the amount of the monthly APTC reported on Form 1095-A, lines 21 through 32, column C. If you have more than one Form 1095-A affecting a particular month, add the amounts together for that month and enter the total in the appropriate line in Form 8962, column F.

If you completed *Part 4—Shared Policy Allocation* for any Form 1095-A, include only the amounts of the monthly APTC allocated to you, if any, using the allocation percentage you entered on lines 30 through 33, column g, and combine with the amounts of the monthly APTC for other policies that you did not allocate.

Household income above 400% of the Federal poverty line. If your household income is over 400% of the Federal poverty line, you cannot take the PTC. You must repay the total APTC entered on lines 12 through 23, column F (unless the alternative calculation for marriage rule applies to you and you are able to reduce your repayment amount). To complete the rest of the form, skip line 24, and enter the total of lines 12 through 23, column F, on lines 25, 27, and 29. Enter the amount from line 29 on your Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44.

Example. Melissa and Ryan were married at the beginning of 2014. They have no dependents. They were enrolled under the same qualified health plan through a Marketplace from January through April. Monthly APTC of $1,000 was paid for them, for a total of $4,000. They divorced April 10th. Melissa enrolled in single coverage from May through December. Monthly APTC of $100 was paid for her, for a total of $800. Ryan did not enroll in coverage.

At the end of the year, Melissa or Ryan will receive a Form 1095-A reporting their coverage for January through April. The recipient of the Form 1095-A should provide a copy to the non-recipient. Melissa will receive a Form 1095-A reporting her coverage for May through December.

For 2014, Melissa's family size is one and her household income is 450% of the Federal poverty line. Ryan's family size is one and his household income is 410% of the Federal poverty line. Melissa and Ryan agree to allocate the APTC 60% to Melissa and 40% to Ryan. The allocation is only for the period of time Melissa and Ryan were married. The sum of the APTC allocated to Melissa is $2,400 ($1,000 x .6 x 4 months). Melissa must add this sum to her APTC of $800 for her single coverage. She enters the monthly amounts on lines 12–23, column F, and the total of $3,200 on Form 8962, lines 25, 27, and 29. Melissa enters the amount from line 29 on the applicable line of her tax return. She leaves Form 8962, line 28, blank because she does not qualify for a repayment limitation.

Individual you enrolled for whom no taxpayer will claim a personal exemption. If no taxpayer claims a personal exemption for an individual you enrolled in a qualified health plan, you must report any APTC paid for the individual if you indicated to the Marketplace at enrollment that you would claim the individual's personal exemption. Follow the rules in *Column F* above to report this APTC.

Line 26

If line 24 is greater than line 25, subtract line 25 from line 24 and enter the result on line 26. This result is the amount of your PTC that is more than the APTC paid. This amount will reduce the amount of tax you must pay with your tax return or increase your refund. Also enter the result on your tax return as instructed on Form 8962, and skip lines 27 through 29. If line 24 is equal to line 25, enter -0- on line 26 and skip lines 27 through 29.

If you elected the alternative calculation for year of marriage, and line 24 is greater than line 25, enter -0- on line 26 and skip lines 27 through 29.

If line 25 is greater than line 24, skip line 26 and go to Part 3.

Part 3—Repayment of Excess Advance Payment of the Premium Tax Credit

Complete this part to figure the amount of excess APTC you must repay.

If one of the following applies, you must repay a portion or all of the APTC paid.

- You checked the **"No"** box on line 6. This means you entered a percentage of more than 400 on line 5 and you are not an applicable taxpayer eligible for the PTC. Enter the amount from Form 8962, line 25, on lines 27 and 29.
- Line 25 is greater than line 24. You have excess APTC. Go to line 27 of Form 8962 to figure the amount of your excess APTC.
- You are married at the end of 2014 but you are filing your return as married filing separately and did not check the **"Relief"** box because you are not a victim of domestic abuse or spousal abandonment. See *Married filing separately* next.

Married filing separately. If you were married at the end of 2014, you are not an applicable taxpayer unless you file a joint return or meet *Situation 1* or *Situation 2* under *Married taxpayers*, earlier. If you do not meet either situation, you and your spouse each must report one-half of the APTC you received on your returns. If the qualified health plan covered only individuals in your tax family, you must report all of the APTC. See the examples next.

Example 1. In December 2013, Chris and Joan are married with two dependents and enroll through the Marketplace in a qualified health plan covering all four individuals. APTC of $6,880 is paid for them during 2014. Chris and Joan file their tax returns for 2014 as married filing separately and do not qualify for an exception from the requirement for married taxpayers to file a joint return. Chris and Joan are not applicable taxpayers. They each must report $3,440 ($6,880/2) on line 27 of their Forms 8962 and complete line 28 of their Forms 8962 to determine if they qualify for a repayment limitation. See *Line 28* below.

Example 2. The facts are the same as in *Example 1* above, except Chris did not enroll in the policy and Joan claims the personal exemptions for the two dependents. Joan reports the APTC of $6,880 on line 27 of her Form 8962 and completes line 28 to determine if she qualifies for a repayment limitation. Chris does not complete Form 8962.

Line 28

The excess APTC you must repay is limited to the amounts in Table 5. Repayment Limitation, later. Enter the appropriate amount from Table 5 on line 28. If you were married at the end of 2014 but are filing separately from your spouse, the repayment limitation shown in Table 5 applies to you and your spouse separately based on the household income reported on each return.

CAUTION *If your entry on Form 8962, line 5, is 400 or more, all of your APTC is excess and you must repay the amount shown on line 27. Leave line 28 blank and enter the amount from line 27 on line 29.*

Table 5. Repayment Limitation

IF the amount on Form 8962, line 5 is . . .	**ENTER** on line 28 . . .	
	for a filing status of Single—	for any other filing status—
Less than 200	$300	$600
At least 200 but less than 300	$750	$1,500
At least 300 but less than 400	$1,250	$2,500
400 or more	leave line 28 blank	

Part 4—Shared Policy Allocation

You must complete Part 4 if both of the following apply.

- You checked the **"Yes"** box on line 9.
- Table 3. Shared Policy Allocation—Line 9 instructed you to allocate your policy amounts based on one of your answers to the questions in Steps 1 through 5 of the table.

To complete Part 4 for a qualified health plan, see *Specific Allocation Situations* below to find the situation (or situations) that applies to that policy. The instructions for each situation will describe the amounts you must allocate and your allocation options. Then see *Lines 30 through 33, columns a through g*, later, to use that information to complete the line(s) on Form 8962 that correspond to each qualified health plan.

Note. Under certain circumstances, amounts from one qualified health plan may need to be allocated twice using the rules below. For example, a married couple enrolled in a policy (with APTC) for 2014 and divorced on June 30, 2014. The Marketplace was not notified. This policy will be allocated twice as follows. For the months the couple were married (January through June), using the rules under *Taxpayers divorced or legally separated in 2014 (Table 3, Step 1)* below. The second allocation will be for the months the couple were divorced (July through December), using the rules under *Policy shared with an individual for whom another taxpayer claims a personal exemption deduction (Table 3, Steps 3, 4, or 5)*, later.

Specific Allocation Situations

Find the situation or situations below that apply to each qualified health plan requiring allocating amounts, based on one of your answers in Table 3. Shared Policy Allocation—Line 9, earlier.

Taxpayers divorced or legally separated in 2014 (Table 3, Step 1). If you are no longer married to your spouse at the end of 2014, you and your former spouse must allocate amounts on your separate returns to figure your PTC if both of the following apply.

- You are not married to your spouse on December 31, 2014, and
- You and your former spouse were enrolled in the same qualified health plan, or you or an individual in your tax family was enrolled in the same policy as your former spouse or an individual in your former spouse's tax family, at any time during 2014.

If you and your former spouse must allocate policy amounts, you will allocate to each spouse a percentage of the total enrollment premiums, the premiums for the applicable SLCSP, and APTC for coverage under the plan during the months you were married. You will find these amounts on your Form(s) 1095-A, Part III, columns A, B, and C, respectively. You and your former spouse can allocate these amounts in any proportion you agree upon, but you must allocate all amounts in the same proportion. If you do not agree on a proportion, you and your former spouse must allocate these amounts 50% each to you and your former spouse.

Example 1. Keith and Stephanie are married at the beginning of 2014 and have three children, Ben, Grace, and Max. In January, Keith enrolls Ben, Grace, and Max in a qualified health plan, with an effective coverage date of February 1. Keith and Stephanie divorce in July. The children become eligible for and enroll in government-sponsored health coverage, effective August 1.

Keith claims Ben and Grace as dependents and Stephanie claims Max as a dependent for 2014. Keith and Stephanie agree to an allocation percentage of 33% to Stephanie and 67% to Keith. Therefore, 33% of the enrollment premiums, the applicable SLCSP premiums, and APTC are allocated to Stephanie and 67% are allocated to Keith. The allocation is only for the months Keith and Stephanie were married. If the Marketplace is not notified and the qualified health plan remains the same after the divorce, the months after the divorce will be allocated using the rules under *Policy shared with an individual for whom another taxpayer claims a personal exemption (Table 3, Steps 3, 4, or 5)*, later.

On her Form 8962, Part 4, line 30, Stephanie enters Keith's social security number in column b and enters “0.33” in columns e, f, and g. On his Form 8962, Part 4, line 30, Keith enters Stephanie's social security number in column b and enters “0.67” in columns e, f, and g. Stephanie and Keith both enter “February” in column c and “July” in column d.

Example 2. The facts are the same as in *Example 1* above except that Keith and Stephanie cannot agree on an allocation percentage. Therefore, 50% of the enrollment premiums, the applicable SLCSP premiums, and APTC are allocated to each taxpayer. On their Forms 8962, Part 4, line 30, Keith and Stephanie each enter “0.50” in columns e, f, and g.

Taxpayers married at year end but filing separate returns—Situation 1 (Table 3, Step 2). If you are married at the end of 2014 but are filing a separate return from your spouse as single or head of household (see *Situation 1* under *Married taxpayers*, earlier), you may qualify to take the PTC. You and your spouse have separate tax families. The total enrollment premiums and APTC (but not the applicable SLCSP) are allocated equally to you and your spouse for the months when one qualified health plan covers at least one individual for each tax family, which may be any of the following.

- The policy covers both you and your spouse.
- The policy covers you and one or more dependents of your spouse.
- The policy covers one or more of your dependents and your spouse.
- The policy covers one or more dependents of both spouses.

If none of the above applies, all enrollment premiums and APTC are allocated to the spouse whose tax family had one or more of the covered individuals.

If a spouse cannot file as single or head of household (and *Situation 2* under *Married taxpayers*, earlier, does not apply), he or she must file as married filing separately and is not eligible to take the PTC. APTC allocated to this spouse must be repaid subject to the limitation on line 28.

CAUTION *If you take the PTC as single or head of household as described earlier, your coverage family may change, in which case you must use a new applicable SLCSP premium to calculate your credit. If you did not notify the Marketplace, the amount reported on Form 1095-A may not be correct. See Pub. 974 for information on determining the correct premium for your applicable SLCSP.*

Note. When completing lines 30 through 33, leave column f blank. You do not allocate the applicable SLCSP premium in this situation. Instead, enter the applicable SLCSP premium for your coverage family on lines 12 through 23.

Example. John and Carol are married at the end of 2014 and have one child, Mark. John and Carol enrolled in a qualified health plan for 2014. The plan covered John, Carol, and Mark, with an annual premium of $14,000 and APTC of $8,500, which applied to the coverage for all of the individuals. John moved out of the residence on May 15, 2014. Carol and Mark continued to reside at the residence. John and Carol file separate returns for 2014. Carol qualifies to file her return as head of household. Carol claims Mark as her dependent. Because Carol and John are not filing a joint return, their tax families change. Carol's family size reported on her tax return is now two because John is not in her tax family. Therefore, Carol's Federal poverty line percentage is determined using the modified AGI of her tax family. John's modified AGI is not included because he is not in Carol's tax family.

John files his return as married filing separately.

Carol's family size for 2014 for purposes of computing her contribution amount is two (Carol and her dependent Mark). Carol's coverage family for purposes of determining her applicable SLCSP premium consists of Carol and her dependent Mark. If John or Carol do not notify the Marketplace about the change in family circumstances, the Form 1095-A that Carol or John receive will report in Column B the premium for the applicable SLCSP that covers Carol, Mark, and John, which will be incorrect. Carol must determine the correct premium for the applicable SLCSP covering Carol and Mark. Carol would see Pub. 974 for information on determining the correct premium for her applicable SLCSP.

Carol takes into account $7,000 ($14,000 x .50) of the premiums for the plan in which she and Mark were enrolled in figuring her PTC. Carol must then reconcile $4,250 ($8,500 x .50) of the APTC for her coverage. Amounts from this policy are allocated for all months Carol and John were enrolled. On her Form 8962, Part 4, line 30, Carol enters John's social security number in column b and enters “0.50” in columns e and g. Column f is left blank since Carol must enter the applicable SLCSP that applies to her and Mark.

Since John is filing his tax return as married filing separately and no exception to the married filing jointly requirement applies, he is not an applicable taxpayer and must repay the $4,250 APTC allocated to him, subject to the repayment limitations on line 28. On his Form 8962, Part 4, line 30, John enters Carol's social security number in column b and enters “0.50” in column g. John leaves columns e and f blank because he is not an applicable taxpayer and cannot take the PTC.

Taxpayers married at year end but filing separate returns—Situation 2 (Table 3, Step 2). If you are married at the end of 2014, but are filing a return as married filing separately because you are a victim of domestic abuse or spousal abandonment (see *Situation 2* under *Married taxpayers*, earlier) you may qualify for the PTC. The total enrollment premiums and APTC (but not the applicable SLCSP) are allocated equally to you and your spouse for the months when at least one individual in each taxpayer's tax family is enrolled in the same qualified health plan, which may be any of the following.

- The policy covers both you and your spouse.
- The policy covers you and one or more dependents of your spouse.
- The policy covers one or more of your dependents and your spouse.
- The policy covers one or more dependents of both spouses.

If none of the above applies, all enrollment premiums and APTC are allocated to the spouse whose tax family had one or more of the covered individuals.

CAUTION *If you can take the PTC because of the domestic abuse or spousal abandonment circumstances described earlier, your coverage family may change and you must* *use a new applicable SLCSP premium to calculate your credit. If you did not notify the Marketplace, the amount reported on Form 1095-A may not be correct. See Pub. 974 for information on determining the correct premium for your applicable SLCSP.*

Note. When completing lines 30 through 33, leave column f blank. You do not allocate the applicable SLCSP premium in this situation. Instead, enter the applicable SLCSP premium for your coverage family for each month on lines 12 through 23.

Example. Kevin and Nancy are married at the end of 2014 and have no dependents. Kevin and Nancy are enrolled in a qualified health plan for 2014 with an annual premium of $10,000 and APTC of $6,500. Nancy is a victim of domestic abuse and is unable to file a joint return under the rules outlined in *Situation 2* under *Married taxpayers*, earlier. Nancy files her return using the filing status married filing separately and checks the "Relief" box at the top of Form 8962.

Nancy's family size for 2014 for purposes of computing her monthly contribution is one (Nancy). Nancy's coverage family for purposes of determining her applicable SLCSP premium for 2014 also is one (Nancy). If Kevin or Nancy do not notify the Marketplace about the change in family circumstances, the Form 1095-A that Kevin or Nancy receives will report in Column B the premium for the applicable SLCSP that covers Nancy and Kevin, which will be incorrect. Nancy must determine the correct premium for the applicable SLCSP covering only Nancy. Nancy would see Pub. 974 for information on determining the correct premium for her applicable SLCSP.

Nancy's Federal poverty line percentage is determined using Nancy's modified AGI and her family size of one. Nancy takes into account $5,000 ($10,000 x .50) of the enrollment premiums in figuring her PTC. Nancy must reconcile $3,250 ($6,500 x .50) of the APTC for her coverage. On her Form 8962, Part 4, line 30, Nancy enters Kevin's social security number in column b and enters "0.50" in columns e and g. Column f is left blank since Nancy must enter the premium for the applicable SLCSP that applies to Nancy. Nancy enters this amount on the applicable lines in Column B, lines 12 through 23.

Policy shared with an individual for whom another taxpayer claims a personal exemption (Table 3, Steps 3, 4, or 5). If you or another person in your tax family was enrolled in a qualified health plan with an individual (for example, your child) for whom another taxpayer claims a personal exemption (for example, a former spouse), you must complete Part 4. The taxpayer claiming the personal exemption may be able to take the PTC for the child's coverage. When you compute the PTC, you must allocate the enrollment premiums and the APTC for coverage of the individual. If you allocate APTC, you also must allocate the applicable SLCSP premium. You and the taxpayer claiming the personal exemption may agree on any allocation percentage between zero and one hundred percent. If you cannot agree on an allocation percentage, the allocation percentage is equal to the number of individuals enrolled by you for whom the other taxpayer claims a personal exemption for the tax year divided by the total number of individuals enrolled in the same policy as the individual. The allocation percentage is the percentage of the total that applies to the amounts the taxpayer claiming the personal exemption must use to compute PTC and reconcile it with APTC. You must compute PTC and reconcile APTC using the remaining amounts.

Note. If APTC is paid for coverage of an individual for whom no taxpayer claims a personal exemption, the taxpayer who attests to the Marketplace to the intention to claim a personal exemption for the individual is responsible for reporting and reconciling the APTC. See *Individual you enrolled for whom no taxpayer will claim a personal exemption* under *Lines 12 through 23—Monthly Calculation*, earlier.

Example 1. Joe and Alice have been divorced since January of 2013 and have two children, Chris and Jane. Joe enrolls in a qualified health plan covering Joe, Chris, and Jane for 2014. The premium for the plan is $13,000. Based on a family size and coverage family of three, and a premium for the applicable SLCSP of $12,000, Joe is approved for and receives APTC computed as follows: Joe's projected household income for 2014 is $58,590 (300% of the Federal poverty line for a family size of three). Joe's APTC for 2014 is $6,434 ($12,000 applicable SLCSP premiums less $5,566 contribution amount (household income $58,590 x applicable figure .095)). Joe's actual household income for 2014 is $58,988.

Jane lives with Alice for more than half of 2014 and Alice claims Jane as a dependent for 2014. Joe and Alice agree to an allocation percentage of 20% to determine how much of the total amounts related to the qualified health plan are for Jane's coverage. Therefore, 20% of the enrollment premiums, APTC, and the applicable SLCSP premiums are allocated to Alice and 80% are allocated to Joe.

In computing PTC, Joe takes into account $10,400 of enrollment premiums ($13,000 x .80). Joe must reconcile $5,147 of APTC ($6,434 x .80). Joe's tax family for 2014 includes only Joe and Chris, and Joe's household income of $58,988 is 380% of the Federal poverty line for a family size of two. Joe's applicable SLCSP premium for 2014 is $9,600 (the applicable SLCSP premium covering Joe, Chris, and Jane of $12,000, minus the amount allocated to Alice of $2,400 ($12,000 x .20)).

Joe's PTC for 2014 is $3,996 (the lesser of $3,996, the excess of Joe's applicable SLCSP premium of $9,600 minus the contribution amount of $5,604 ($58,998 x .095), and $10,400, Joe's enrollment premiums). Joe has excess APTC of $1,151 (the excess of the APTC of $5,147 over the PTC of $3,996).

When Joe completes Part 4 of Form 8962, he enters Alice's social security number on line 30, column b, and enters "0.80" in columns e, f, and g.

Alice is responsible for reconciling $1,287 ($6,434 x .20) of APTC for Jane's coverage. If Alice is eligible for the PTC, she will take into account $2,600 ($13,000 x .20) of the enrollment premiums for Jane and $2,400 ($12,000 x .20) for the applicable SLCSP premiums. Alice must compute her contribution amount using the Federal poverty line percentage for the household income and family size reported on her Form 8962.

Example 2. The facts are the same as in *Example 1* above except that Joe and Alice do not agree on an allocation percentage. Therefore, the allocation percentage equals the number of individuals Joe enrolled in a qualified health plan for whom Alice claims a personal exemption (1, Jane), divided by the number of individuals enrolled in the plan (3, Joe, Chris, and Jane). The allocation percentage is 33%. Alice is allocated 33% of the enrollment premiums, APTC, and applicable SLCSP premiums and the remaining 67% of each is allocated to Joe.

Policy shared with two or more tax families (Table 3, Step 5). If you enrolled in a single qualified health plan with one or more other tax families, you may have to allocate the enrollment premiums among the families. Each applicable taxpayer covered by the plan can claim the PTC, if otherwise allowable. You and the other taxpayers must each use the premium for your applicable SLCSP for your coverage family. You must each compute your respective contribution amounts using the Federal poverty line percentage for the household income and family size reported on your Form(s) 8962.

If no APTC is paid for this qualified health plan, the Marketplace may furnish only one Form 1095-A. In this situation, the taxpayer receiving the Form 1095-A should provide a copy to the other taxpayers. You and the other taxpayer(s) must complete only column e on the appropriate line in Part 4 to allocate the enrollment premiums to each family. The enrollment premiums are allocated in proportion to the premiums for the applicable SLCSP for each taxpayer's coverage family.

If APTC is paid for just one of the families covered by the plan, the taxpayers must allocate the enrollment premiums in proportion to the premiums for the applicable SLCSP for each taxpayer's coverage family.

TIP *If APTC was paid for each tax family in a shared policy and no family had any unreported changes in their respective coverage family during 2014, and each family received their own Form 1095-A, you do not need to complete Part 4 of this form. The Marketplace will allocate the enrollment premiums in column A of each Form 1095-A.*

Example. Gary and his 25-year-old nondependent son Jim enroll in a qualified health plan. Jim has no dependents. The policy covers Gary, Jim, and Gary's two young daughters who are Gary's dependents. No APTC is paid for this policy. The enrollment premium is $15,000 a year. The premium for the applicable SLCSP covering Gary and his two dependents is $12,000 and the premium for the applicable SLCSP covering Jim is $6,000. Gary and Jim are applicable taxpayers and each can claim the PTC.

Gary computes his credit using his household income and family size of three, and the applicable SLCSP premium for a coverage family of three of $12,000. Jim computes his credit using his household income and family size of one, and the applicable SLCSP premium for a coverage family of one of $6,000.

Gary and Jim must allocate the enrollment premium of $15,000 reported on the Form 1095-A, column A. The $15,000 enrollment premium is allocated to Gary and Jim in proportion to each taxpayer's applicable SLCSP premium as follows. Gary's allocated enrollment premium is $10,000 ($15,000 x $12,000/$18,000) (67% of the total premium of $15,000) and Jim's allocated enrollment premium is $5,000 ($15,000 x $6,000/$18,000) (33% of the total premium of $15,000).

Gary enters Jim's social security number on line 30, column b, and enters "0.67" in column e. Jim enters Gary's social security number on line 30, column b, and enters "0.33" in column e. Gary and Jim leave line 30, columns f and g, blank.

Lines 30 through 33, columns a through g

If you shared a policy with another taxpayer in one of the situations described in *Specific Allocation Situations*, earlier, complete line 30, columns a through g, as applicable. If you shared a policy with another taxpayer and you are not making an allocation in all three columns, e, f, and g, leave the column blank that does not apply.

If you shared multiple policies during the year or must do more than one allocation for a single policy, complete lines 31 through 33 for each separate allocation, as needed. For instructions on making more than four separate allocations, see *Line 34*, later.

Household income above 400% of the Federal poverty line. If you checked the **"No"** box on line 6, you cannot take the PTC. You must repay all APTC amounts allocated to you (though you may be able to reduce the amount of your repayment by electing the alternative calculation for year of marriage). If you must complete Part 4 for any situation, complete only column g of lines 30 through 33 by entering your APTC percentage. Do not enter any percentages in columns e or f, since you cannot take the PTC.

Lines 30 through 33, column a. Enter the Marketplace-assigned policy number from Form 1095-A, line 2.

Lines 30 through 33, column b. Enter the social security number of the taxpayer with whom you are allocating policy amounts. This social security number may or may not be reported on your Form 1095-A, depending on your relationship to the other taxpayer.

Lines 30 through 33, column c. Enter the first month you are allocating policy amounts. For example, if you were enrolled in a policy with your former spouse from January 2014 through June 2014, enter January in column c.

Lines 30 through 33, column d. Enter the last month you are allocating policy amounts. For example, if you were enrolled in a policy with your former spouse from January 2014 through June 2014, enter June in column d.

Lines 30 through 33, column e. If your allocation situation requires you to allocate the enrollment premium on Form 1095-A, lines 21 through 32, column A, enter your allocation percentage for that policy in column e. Enter your allocation percentage as a decimal rounded to two places (for example, for 40%, enter 0.40). Otherwise, leave column e blank.

Lines 30 through 33, column f. If your allocation situation requires you to allocate the premium for the applicable SLCSP on Form 1095-A, lines 21 through 32, column B, enter your allocation percentage for that policy in column f. Enter your allocation percentage as a decimal rounded to two places (for example, for 67%, enter 0.67). You will enter an allocation percentage in column f, in the following two circumstances.

- You allocated the policy amounts under *Taxpayers divorced or legally separated in 2014 (Table 3, Step 1)*, earlier.
- You allocated the policy amounts under *Policy shared with an individual for whom another taxpayer claims a personal exemption (Table 3, Steps 3, 4, or 5)*, earlier, **and** APTC was paid for an individual covered by the policy who was **not** in your tax family.

Leave column f blank in all other allocation situations because you do not allocate the premiums for the applicable SLCSP reported in those situations. Instead, you must determine the correct premium for the applicable SLCSP for your coverage family and enter that amount on Form 8962, lines 12 through 23, column B. See Pub. 974 for information on determining the correct premium for your applicable SLCSP.

Lines 30 through 33, column g. If your allocation situation requires you to allocate the APTC on Form 1095-A, lines 21 through 32, column C, enter your allocation percentage for that policy in column g. Enter your allocation percentage as a decimal rounded to two places (for example, for 80%, enter 0.80). Otherwise, leave column g blank.

Line 34

If you have completed your required allocations of policy amounts shown on Forms 1095-A using lines 30 through 33, check the **"Yes"** box on line 34. If you must make more than four allocations of policy amounts shown on Forms 1095-A, check the **"No"** box on line 34 and attach a statement to your return providing the information shown on lines 30 through 33, columns a through g for each additional allocation.

Part 5—Alternative Calculation for Year of Marriage

Complete Part 5 to elect the alternative calculation for your pre-marriage months. To be eligible to make this election, you must have answered **"Yes"** to all 5 questions in Table 4. Alternative Calculation for Year of Marriage Eligibility. In addition, if you checked the **"Yes"** box on line 6, you also must have checked the **"Yes"** box on line 14 of the Alternative Calculation for Marriage Eligibility Worksheet, earlier. Electing the alternative calculation is optional, but may reduce the amount of excess APTC you must repay.

If you, your spouse, or any individual in your tax family had coverage under a qualified health plan for at least one month before your first full month of marriage, use the worksheets and detailed instructions necessary to compute the alternative calculation that are in Pub. 974 under *Alternative Calculation for Year of Marriage*.

Do not go to Pub. 974 until you have completed Table 4. Alternative Calculation for Year of Marriage Eligibility, earlier, to determine whether you meet the requirements to elect the alternative calculation.

Line 35. Complete line 35, columns a through d as indicated in Pub. 974 under *Alternative Calculation for Year of Marriage.*

Line 36. Complete line 36, columns a through d as indicated in Pub. 974 under *Alternative Calculation for Year of Marriage.*