

Reconciling APTC using Form 8962 – Example 1

Client: Gregor Samsa, traveling salesman, single individual

Gregor applied to Vermont Health Connect in October 2013. The exchange projected his 2014 household income would be \$35,875 (250% FPL).

At 250% FPL, Gregor's applicable percentage would be 8.05.

Gregor's benchmark plan premium is \$4953.96 annually and \$412.83 monthly.

The exchange calculates Gregor's PTC eligibility: Benchmark premium of \$4953.96 minus expected contribution of \$2887.94 ($\$35,875 \times .0805$) = \$2066, or \$172.16 monthly

Gregor enrolls in the BCBSVT Standard Silver Deductible plan with coverage effective January 1, 2014. Premiums are \$425.19 per month. Gregor takes 100% of his anticipated PTC in advance. He pays \$253.03 monthly ($\$425.19 - \172.16).

When he files his tax return, Gregor finds out that his MAGI is actually \$28,700 (200% FPL). At 200% FPL, Gregor's applicable percentage is 6.3.

Department of the Treasury
Internal Revenue Service

► Information about Form 1095-A and its separate instructions
is at www.irs.gov/form1095a.

CORRECTED

2014

Part I Recipient Information

1 Marketplace identifier JFOSAHGLDH		2 Marketplace-assigned policy number BCBSVT Silver Deductible		3 Policy issuer's name Blue Cross Blue Shield of Vermont	
4 Recipient's name Gregor Samsa			5 Recipient's SSN XXX-XX-1234		6 Recipient's date of birth
7 Recipient's spouse's name			8 Recipient's spouse's SSN		9 Recipient's spouse's date of birth
10 Policy start date 1/1/14		11 Policy termination date 12/31/14		12 Street address (including apartment no.) 109 State St.	
13 City or town Montpelier		14 State or province VT		15 Country and ZIP or foreign postal code 05609	

Part II Coverage Household

	A. Covered Individual Name	B. Covered Individual SSN	C. Covered Individual Date of Birth	D. Covered Individual Start Date	E. Covered Individual Termination Date
16	Gregor Samsa	XXX-XX-1234		1/1/14	12/31/14
17					
18					
19					
20					

Part III Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January	425.19	412.83	172.16
22 February	425.19	412.83	172.16
23 March	425.19	412.83	172.16
24 April	425.19	412.83	172.16
25 May	425.19	412.83	172.16
26 June	425.19	412.83	172.16
27 July	425.19	412.83	172.16
28 August	425.19	412.83	172.16
29 September	425.19	412.83	172.16
30 October	425.19	412.83	172.16
31 November	425.19	412.83	172.16
32 December	425.19	412.83	172.16
33 Annual Totals	5102	4954	2066

Premium Tax Credit (PTC)

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040, 1040A, or 1040NR.
▶ Information about Form 8962 and its separate instructions is at www.irs.gov/form8962.

Name shown on your return Gregor Samsa	Your social security number 123-45-1234	Relief (see instructions) <input type="checkbox"/>
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Part 1: Annual and Monthly Contribution Amount

1 Family Size: Enter the number of exemptions from Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d	1	1
2a Modified AGI: Enter your modified AGI (see instructions)	2a	28,700
b Enter total of your dependents' modified AGI (see instructions)	2b	0
3 Household Income: Add the amounts on lines 2a and 2b	3	28,700
4 Federal Poverty Line: Enter the federal poverty amount as determined by the family size on line 1 and the federal poverty table for your state of residence during the tax year (see instructions). Check the appropriate box for the federal poverty table used. a <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input checked="" type="checkbox"/> Other 48 states and DC	4	11,490
5 Household Income as a Percentage of Federal Poverty Line: Divide line 3 by line 4. Enter the result rounded to a whole percentage. (For example, for 1.542 enter the result as 154, for 1.549 enter as 155.) (See instructions for special rules.)	5	200 %
6 Is the result entered on line 5 less than or equal to 400%? (See instructions if the result is less than 100%. <input checked="" type="checkbox"/> Yes. Continue to line 7. <input type="checkbox"/> No. You are not eligible to receive PTC. If you received advance payment of PTC, see the instructions for how to report your Excess Advance PTC Repayment amount.		
7 Applicable Figure: Using your line 5 percentage, locate your "applicable figure" on the table in the instructions	7	.0630
8a Annual Contribution for Health Care: Multiply line 3 by line 7	8a	1808
b Monthly Contribution for Health Care: Divide line 8a by 12. Round to whole dollar amount	8b	151

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

9 Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation? (see instructions)
 Yes. Skip to Part 4, Shared Policy Allocation, or Part 5, Alternative Calculation for Year of Marriage. **No. Continue to line 10.**

10 Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown on lines 21-32, columns A and B?
 Yes. Continue to line 11. Compute your annual PTC. Skip lines 12-23 and continue to line 24. **No. Continue to lines 12-23.** Compute your monthly PTC and continue to line 24.

Annual Calculation	A. Premium Amount (Form(s) 1095-A, line 33A)	B. Annual Premium Amount of SLCSP (Form(s) 1095-A, line 33B)	C. Annual Contribution Amount (Line 8a)	D. Annual Maximum Premium Assistance (Subtract C from B)	E. Annual Premium Tax Credit Allowed (Smaller of A or D)	F. Annual Advance Payment of PTC (Form(s) 1095-A, line 33C)
11 Annual Totals	5102	4954	1808	3146	3146	2066
Monthly Calculation	A. Monthly Premium Amount (Form(s) 1095-A, lines 21-32, column A)	B. Monthly Premium Amount of SLCSP (Form(s) 1095-A, lines 21-32, column B)	C. Monthly Contribution Amount (Amount from line 8b or alternative marriage monthly contribution)	D. Monthly Maximum Premium Assistance (Subtract C from B)	E. Monthly Premium Tax Credit Allowed (Smaller of A or D)	F. Monthly Advance Payment of PTC (Form(s) 1095-A, lines 21-32, column C)
12 January						
13 February						
14 March						
15 April						
16 May						
17 June						
18 July						
19 August						
20 September						
21 October						
22 November						
23 December						

24 Total Premium Tax Credit: Enter the amount from line 11E or add lines 12E through 23E and enter the total here	24	3146
25 Advance Payment of PTC: Enter the amount from line 11F or add lines 12F through 23F and enter the total here	25	2066
26 Net Premium Tax Credit: If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27	26	1080

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

27 Excess Advance Payment of PTC: If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27	
28 Repayment Limitation: Using the percentage on line 5 and your filing status, locate the repayment limitation amount in the instructions. Enter the amount here	28	
29 Excess Advance Premium Tax Credit Repayment: Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44	29	

Reconciling APTC using Form 8962 – Example 2

Client: Jeronimo Rugera, carpenter, single individual

Jeronimo applied to Vermont Health Connect in March 2014. The exchange projected his 2014 household income would be \$28,700 (200% FPL).

At 200% FPL, Jeronimo's applicable percentage would be 6.3.

Jeronimo's benchmark plan premium is \$4953.96 annually and \$412.83 monthly.

The exchange calculates Jeronimo's PTC eligibility: Benchmark premium of \$4953.96 minus expected contribution of \$1808.10 ($\$28,700 \times .063$) = \$3145.86, or \$262.15 monthly.

Jeronimo enrolls in the BCBSVT Standard Silver Deductible plan with coverage effective April 1, 2014. Premiums are \$425.19 per month. Jeronimo takes 100% of his anticipated PTC in advance. He pays \$163.04 monthly ($\$425.19 - \262.15).

When he files his tax return, Jeronimo finds out that his MAGI is actually \$35,875 (250% FPL). At 250% FPL, Jeronimo's applicable percentage is 8.05.

Department of the Treasury
Internal Revenue Service► Information about Form 1095-A and its separate instructions
is at www.irs.gov/form1095a. CORRECTED**2014****Part I Recipient Information**

1 Marketplace identifier JFOSAHLGDH	2 Marketplace-assigned policy number BCBSVT Silver Deductible	3 Policy issuer's name Blue Cross Blue Shield of Vermont		
4 Recipient's name Jeronimo Rugera		5 Recipient's SSN 123-45-6789	6 Recipient's date of birth	
7 Recipient's spouse's name		8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth	
10 Policy start date 4/1/14	11 Policy termination date 12/31/14	12 Street address (including apartment no.) 109 State St.		
13 City or town Montpelier	14 State or province VT	15 Country and ZIP or foreign postal code 05609		

Part II Coverage Household

	A. Covered Individual Name	B. Covered Individual SSN	C. Covered Individual Date of Birth	D. Covered Individual Start Date	E. Covered Individual Termination Date
16	Jeronimo Rugera	123-45-6789		4/1/14	12/31/14
17					
18					
19					
20					

Part III Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January			
22 February			
23 March			
24 April	425.19	412.83	262.15
25 May	425.19	412.83	262.15
26 June	425.19	412.83	262.15
27 July	425.19	412.83	262.15
28 August	425.19	412.83	262.15
29 September	425.19	412.83	262.15
30 October	425.19	412.83	262.15
31 November	425.19	412.83	262.15
32 December	425.19	412.83	262.15
33 Annual Totals	3827	3715	2359

Premium Tax Credit (PTC)

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040, 1040A, or 1040NR.
▶ Information about Form 8962 and its separate instructions is at www.irs.gov/form8962.

Name shown on your return Jeronimo Rugera	Your social security number 123-45-6789	Relief (see instructions) <input type="checkbox"/>
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Part 1: Annual and Monthly Contribution Amount

1 Family Size: Enter the number of exemptions from Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d	1	1
2a Modified AGI: Enter your modified AGI (see instructions)	2a	35,875
b Enter total of your dependents' modified AGI (see instructions)	2b	0
3 Household Income: Add the amounts on lines 2a and 2b	3	35,875
4 Federal Poverty Line: Enter the federal poverty amount as determined by the family size on line 1 and the federal poverty table for your state of residence during the tax year (see instructions). Check the appropriate box for the federal poverty table used. a <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input checked="" type="checkbox"/> Other 48 states and DC	4	11,490
5 Household Income as a Percentage of Federal Poverty Line: Divide line 3 by line 4. Enter the result rounded to a whole percentage. (For example, for 1.542 enter the result as 154, for 1.549 enter as 155.) (See instructions for special rules.)	5	250 %
6 Is the result entered on line 5 less than or equal to 400%? (See instructions if the result is less than 100%) <input checked="" type="checkbox"/> Yes. Continue to line 7. <input type="checkbox"/> No. You are not eligible to receive PTC. If you received advance payment of PTC, see the instructions for how to report your Excess Advance PTC Repayment amount.		
7 Applicable Figure: Using your line 5 percentage, locate your "applicable figure" on the table in the instructions	7	.0805
8a Annual Contribution for Health Care: Multiply line 3 by line 7	8a	2887.94
b Monthly Contribution for Health Care: Divide line 8a by 12. Round to whole dollar amount	8b	241

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

- 9 Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation? (see instructions)
 Yes. Skip to Part 4, Shared Policy Allocation, or Part 5, Alternative Calculation for Year of Marriage. No. Continue to line 10.
- 10 Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown on lines 21-32, columns A and B?
 Yes. Continue to line 11. Compute your annual PTC. Skip lines 12-23 and continue to line 24. No. Continue to lines 12-23. Compute your monthly PTC and continue to line 24.

Annual Calculation	A. Premium Amount (Form(s) 1095-A, line 33A)	B. Annual Premium Amount of SLCSP (Form(s) 1095-A, line 33B)	C. Annual Contribution Amount (Line 8a)	D. Annual Maximum Premium Assistance (Subtract C from B)	E. Annual Premium Tax Credit Allowed (Smaller of A or D)	F. Annual Advance Payment of PTC (Form(s) 1095-A, line 33C)	
11 Annual Totals							
Monthly Calculation	A. Monthly Premium Amount (Form(s) 1095-A, lines 21-32, column A)	B. Monthly Premium Amount of SLCSP (Form(s) 1095-A, lines 21-32, column B)	C. Monthly Contribution Amount (Amount from line 8b or alternative marriage monthly contribution)	D. Monthly Maximum Premium Assistance (Subtract C from B)	E. Monthly Premium Tax Credit Allowed (Smaller of A or D)	F. Monthly Advance Payment of PTC (Form(s) 1095-A, lines 21-32, column C)	
12 January							
13 February							
14 March							
15 April	425.19	412.83	241	171.83	171.83	262.15	
16 May	425.19	412.83	241	171.83	171.83	262.15	
17 June	425.19	412.83	241	171.83	171.83	262.15	
18 July	425.19	412.83	241	171.83	171.83	262.15	
19 August	425.19	412.83	241	171.83	171.83	262.15	
20 September	425.19	412.83	241	171.83	171.83	262.15	
21 October	425.19	412.83	241	171.83	171.83	262.15	
22 November	425.19	412.83	241	171.83	171.83	262.15	
23 December	425.19	412.83	241	171.83	171.83	262.15	
24 Total Premium Tax Credit: Enter the amount from line 11E or add lines 12E through 23E and enter the total here						24	1546
25 Advance Payment of PTC: Enter the amount from line 11F or add lines 12F through 23F and enter the total here						25	2359
26 Net Premium Tax Credit: If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27						26	

Part 3: Reconciliation of Excess Advance Payment of the Premium Tax Credit

27 Excess Advance Payment of PTC: If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27	813
28 Repayment Limitation: Using the percentage on line 5 and your filing status, locate the repayment limitation amount in the instructions. Enter the amount here	28	750
29 Excess Advance Premium Tax Credit Repayment: Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44	29	750

Part 4: Shared Policy Allocation

Complete the following information for up to four shared policy allocations. See instructions for allocation details.

Shared Policy Allocation 1

30	a Policy Number (Form 1095-A, line 2)	b SSN of taxpayer sharing allocation	c Allocation start month	d Allocation stop month
Allocation percentage applied to monthly amounts		e. Premium Percentage	f. SLCSP Percentage	g. Advance Payment of the PTC Percentage

Shared Policy Allocation 2

31	a Policy Number (Form 1095-A, line 2)	b SSN of taxpayer sharing allocation	c Allocation start month	d Allocation stop month
Allocation percentage applied to monthly amounts		e. Premium Percentage	f. SLCSP Percentage	g. Advance Payment of the PTC Percentage

Shared Policy Allocation 3

32	a Policy Number (Form 1095-A, line 2)	b SSN of taxpayer sharing allocation	c Allocation start month	d Allocation stop month
Allocation percentage applied to monthly amounts		e. Premium Percentage	f. SLCSP Percentage	g. Advance Payment of the PTC Percentage

Shared Policy Allocation 4

33	a Policy Number (Form 1095-A, line 2)	b SSN of taxpayer sharing allocation	c Allocation start month	d Allocation stop month
Allocation percentage applied to monthly amounts		e. Premium Percentage	f. SLCSP Percentage	g. Advance Payment of the PTC Percentage

- 34** Have you completed shared policy allocation information for all allocated Forms 1095-A?
- Yes.** Multiply the amounts on Form 1095-A by the allocation percentages entered by policy. Add allocated amounts across all allocated policies with amounts for non-allocated policies from Forms 1095-A, if any, to compute a combined total for each month. Enter the combined total for each month on lines 12–23, columns A, B, and F. Compute the amounts for lines 12–23, columns C–E, and continue to line 24.
- No.** See the instructions to report additional shared policy allocations.

Part 5: Alternative Calculation for Year of Marriage

Complete line(s) 35 and/or 36 to elect the alternative calculation for year of marriage. For eligibility to make the election, see the instructions for line 9. To complete line(s) 35 and/or 36 and compute the amounts for lines 12–23, see the instructions for this Part 5.

35	Alternative entries for your SSN	a Alternative family size	b Monthly contribution	c Alternative start month	d Alternative stop month
36	Alternative entries for your spouse's SSN	a Alternative family size	b Monthly contribution	c Alternative start month	d Alternative stop month

Draft Instructions for Form 8962 Premium Tax Credit - Excerpts

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. _____

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.

Draft Instructions for Form 8962 Premium Tax Credit - Excerpts

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.** _____

Draft Instructions for Form 8962 Premium Tax Credit - Excerpts

Table 2. Applicable Figure



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		

Draft Instructions for Form 8962 Premium Tax Credit - Excerpts

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	