

Final Forms and Instructions for 2024 ACA Reporting Now Available

The IRS has released final 2024 forms and instructions for reporting under Internal Revenue Code Sections 6055 and 6056:

- 2024 Forms [1094-B](#) and [1095-B](#) (and [instructions](#)) can be used by providers of minimum essential coverage—including self-insured plan sponsors that are not applicable large employers (ALEs)—to report under Section 6055.
- 2024 Forms [1094-C](#) and [1095-C](#) (and [instructions](#)) can be used by ALEs to report under Section 6056, as well as for combined Section 6055 and 6056 reporting by ALEs who sponsor self-insured plans.

No major changes were made to the final forms and instructions for 2024 reporting.

As a reminder, the electronic filing threshold for returns required to be filed on

or after Jan. 1, 2024, is **10 or more returns** (originally, the threshold was 250 or more returns). This requirement applies in the aggregate to certain information returns. Accordingly, a reporting entity may be required to file fewer than 10 of the applicable Form 1094 and 1095 but still have an electronic filing obligation based on other kinds of information returns filed (e.g., Forms W-2 and 1099).

Employers should become familiar with the forms and instructions for 2024 calendar-year reporting and prepare to promptly furnish individual statements and file returns.

Individual statements for 2024 must be furnished by **March 3, 2025**. Electronic IRS returns for 2024 must be filed by **March 31, 2025**.

IRS Releases Health FSA Limits for 2025

On Oct. 22, 2024, the IRS released [Revenue Procedure 2024-40](#) (Rev. Proc. 24-40), which includes the inflation-adjusted limits for 2025 for health flexible spending accounts (FSAs). For plan years beginning in 2025, the adjusted dollar limit on employees' pre-tax contributions to health FSAs increases to **\$3,300**. This is a \$100 increase from the 2024 health FSA limit of \$3,200.

As background, the Affordable Care Act (ACA) imposes a dollar limit on employees' salary reduction contributions to health FSAs. This limit started at \$2,500 for plan years beginning on or after Jan. 1, 2013, and has been adjusted for inflation for subsequent plan years. Employers should ensure their health FSAs will not allow employees to make pre-tax contributions over \$3,300 for the 2025 plan year.

Also, employers should confirm their health FSA contribution limit is included in the plan's documents and communicate it to employees at enrollment time.

In addition, as an exception to the use-or-lose rule, employers with health FSAs may allow employees to carry over a certain amount of funds remaining at the end of a plan year to reimburse eligible expenses incurred in the plan year immediately following. The maximum carryover amount is adjusted annually for inflation. For 2025, Rev. Proc. 24-40 increases the maximum carryover limit to **\$660** (from \$640 for 2024).