

26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.

Rev. Proc. 2017-48

SECTION 1. PURPOSE

This revenue procedure provides the monthly national average premium for qualified health plans that have a bronze level of coverage and are offered through Exchanges for taxpayers to use in determining their maximum individual shared responsibility payment under § 5000A(c)(1)(B) of the Internal Revenue Code and § 1.5000A-4 of the Income Tax Regulations.

SECTION 2. BACKGROUND

.01 Section 5000A provides that if a taxpayer, or an individual for whom the taxpayer is liable, is without minimum essential coverage for one or more months in a taxable year, then the taxpayer is liable for the individual shared responsibility payment when filing his or her federal income tax return, unless an exemption applies. See § 5000A(a), (b)(1). In general, under § 5000A a taxpayer is liable for any individual who is a dependent, as defined in § 152, of the taxpayer. See §§ 5000A(b)(3)(A) and 1.5000A-1(c). Married individuals who file a joint return for a taxable year are jointly

liable for any individual shared responsibility payment for a month included in the taxable year. See §§ 5000A(b)(3)(B) and 1.5000A-1(c)(3).

.02 For each taxable year, the individual shared responsibility payment is the lesser of (1) the sum of the monthly penalty amounts, or (2) the sum of the monthly national average bronze plan premiums for the shared responsibility family. See § 1.5000A-4(a). The monthly national average bronze plan premium means, for a month for which a shared responsibility payment is imposed, 1/12 of the annual national average premium for qualified health plans that (1) have a bronze level of coverage, (2) would provide coverage for the taxpayer's shared responsibility family members, and (3) are offered through Exchanges for plan years beginning in a calendar year with or within which the taxable year ends. See §§ 5000A(c)(1)(B) and 1.5000A-4(c). Shared responsibility family means, for a month in a taxable year, all nonexempt individuals for whom the taxpayer and the taxpayer's spouse, if the taxpayer is married and files a joint return with the spouse, are liable for the shared responsibility payment under § 5000A for that taxable year. See § 1.5000A-1(d)(17).

.03 Revenue Procedure 2014-46, 2014-12 C.B. 367, describes the methodology used to determine the monthly national average bronze plan premium and provides the premium amount for 2014. Revenue Procedure 2015-15, 2015-5 I.R.B. 564, provides the premium amount for 2015. Revenue Procedure 2016-43, 2016-36 I.R.B. 316, provides the premium amount for 2016.

SECTION 3. MONTHLY NATIONAL AVERAGE BRONZE PLAN PREMIUM

.01 Monthly National Average Bronze Plan Premium. For purposes of § 5000A(c)(1)(B) and § 1.5000A-4, the monthly national average premium for qualified

health plans that have a bronze level of coverage and are offered through Exchanges is \$272 per individual.

.02 Maximum Monthly National Average Bronze Plan Premium. For purposes of § 5000A(c)(1)(B) and § 1.5000A-4, the maximum monthly national average premium for qualified health plans that have a bronze level of coverage and are offered through Exchanges is \$1,360 for a shared responsibility family with five or more members.

SECTION 4. EFFECTIVE DATE

This revenue procedure is effective for taxable years ending after December 31, 2016.

SECTION 5. EFFECT ON OTHER DOCUMENTS

Revenue Procedure 2016-43 is superseded.

SECTION 6. DRAFTING INFORMATION

The principal author of this revenue procedure is James Beatty of the Office of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this revenue procedure, contact Mr. Beatty at (202) 317-7006 (not a toll-free call).