

Exemption	Requirement	Verification
<p>Religious exemptions-- Religious conscious exemptions (not an “applicable individual”)</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage</p> <p>(d) Applicable individual</p> <p>(2) Religious exemptions</p> <p>(A) Religious conscience exemption</p> <p>Such term shall not include any individual for any month if such individual has in effect an exemption under section 1311(d)(4)(H) of the Patient Protection and Affordable Care Act which certifies that such individual is—</p> <p>(i)a member of a recognized religious sect or division thereof which is described in section 1402(g)(1), and</p> <p>(ii)an adherent of established tenets or teachings of such sect or division as described in such section.</p> <p>26 USC § 1402 – Definitions</p> <p>(g) Members of certain religious faiths</p> <p>(1) Exemption</p> <p>Any individual may file an application (in such form and manner, and with such official, as may be prescribed by regulations under this chapter) for an exemption from the tax imposed by this chapter if he is a member of a recognized religious sect or division thereof and is an adherent of established tenets or teachings of such sect or division by reason of which he is conscientiously opposed to acceptance of the benefits of any private or public insurance which makes payments in the event of death, disability, old-age, or retirement or makes payments toward the cost of, or provides services for, medical care (including the benefits of any insurance system established by the Social Security Act). Such exemption may be granted only if the application contains or is accompanied by—</p> <p>(A)such evidence of such individual’s membership in, and adherence to the tenets or teachings of, the sect or division thereof as the Secretary may require for purposes of determining such individual’s compliance with the preceding sentence, and</p> <p>(B)his waiver of all benefits and other payments under titles II and XVIII of the Social Security Act on the basis of his wages and self-employment income as well as all such benefits and other payments to him on the basis of the wages and self-employment income of any other person,</p> <p>and only if the Commissioner of Social Security finds that—</p> <p>(C)such sect or division thereof has the established tenets or teachings referred to in the preceding sentence,</p> <p>(D)it is the practice, and has been for a period of time which he deems to be substantial, for members of such sect or division thereof to make provision for their dependent members which in his judgment is reasonable in view of their general level of living, and</p> <p>(E)such sect or division thereof has been in existence at all times since December 31, 1950.</p>	<p>Social Security system? Self-attestation?</p>
<p>Religious exemptions— Health care sharing ministry (not an “applicable individual”)</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage</p> <p>(d) Applicable individual</p> <p>(2) Religious exemptions</p> <p>(B) Health care sharing ministry</p> <p>(i)In general Such term shall not include any individual for any month if such individual is a member of a health care sharing ministry for the month.</p> <p>(ii)Health care sharing ministry The term “health care sharing ministry” means an organization—</p> <p>(I)which is described in section 501(c)(3) and is exempt from taxation under section 501(a),</p> <p>(II)members of which share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs and without regard to the State in which a member</p>	<p>IRS? Self-attestation?</p>

	<p>resides or is employed, (III)members of which retain membership even after they develop a medical condition, (IV)which (or a predecessor of which) has been in existence at all times since December 31, 1999, and medical expenses of its members have been shared continuously and without interruption since at least December 31, 1999, and (V)which conducts an annual audit which is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and which is made available to the public upon request.</p>	
<p>Individuals not lawfully present (not an “applicable individual”)</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage (d) Applicable individual (3) Individuals not lawfully present Such term shall not include an individual for any month if for the month the individual is not a citizen or national of the United States or an alien lawfully present in the United States.</p>	<p>Will they even apply for an exemption?</p>
<p>Incarcerated individuals (not an “applicable individual”)</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage (d) Applicable individual (4) Incarcerated individuals Such term shall not include an individual for any month if for the month the individual is incarcerated, other than incarceration pending the disposition of charges.</p>	<p>State incarceration records? Federal?</p>
<p>Individuals who cannot afford coverage</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage (e) Exemptions (1) Individuals who cannot afford coverage (A) In general Any applicable individual for any month if the applicable individual’s required contribution (determined on an annual basis) for coverage for the month exceeds 8 percent of such individual’s household income for the taxable year described in section 1412(b)(1)(B) of the Patient Protection and Affordable Care Act. For purposes of applying this subparagraph, the taxpayer’s household income shall be increased by any exclusion from gross income for any portion of the required contribution made through a salary reduction arrangement. (B) Required contribution For purposes of this paragraph, the term “required contribution” means— (i)in the case of an individual eligible to purchase minimum essential coverage consisting of coverage through an eligible-employer-sponsored plan, the portion of the annual premium which would be paid by the individual (without regard to whether paid through salary reduction or otherwise) for self-only coverage, or (ii)in the case of an individual eligible only to purchase minimum essential coverage described in subsection (f)(1)(C), the annual premium for the lowest cost bronze plan available in the individual market through the Exchange in the State in the rating area in which the individual resides (without regard to whether the individual purchased a qualified health plan through the Exchange), reduced by the amount of the credit allowable under section 36B for the taxable year (determined as if the individual was covered by a qualified health plan offered through the Exchange for the entire taxable year). (C) Special rules for individuals related to employees For purposes of subparagraph (B)(i), if an applicable individual is eligible for minimum essential coverage</p>	<p>IRS?</p>

	<p>through an employer by reason of a relationship to an employee, the determination under subparagraph (A) shall be made by reference to (a) required contribution of the employee.</p> <p>(D) Indexing In the case of plan years beginning in any calendar year after 2014, subparagraph (A) shall be applied by substituting for “8 percent” the percentage the Secretary of Health and Human Services determines reflects the excess of the rate of premium growth between the preceding calendar year and 2013 over the rate of income growth for such period.</p>	
<p>Taxpayers with income below filing threshold</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage</p> <p>(e) Exemptions (2) Taxpayers with income below filing threshold Any applicable individual for any month during a calendar year if the individual’s household income for the taxable year described in section 1412(b)(1)(B) of the Patient Protection and Affordable Care Act is less than the amount of gross income specified in section 6012(a)(1) with respect to the taxpayer.</p>	<p>IRS?</p>
<p>Members of Indian Tribes</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage</p> <p>(e) Exemptions (3) Members of Indian tribes Any applicable individual for any month during which the individual is a member of an Indian tribe (as defined in section 45A(c)(6)).</p> <p>26 USC § 45A - Indian employment credit</p> <p>(c) Qualified employee (6) Indian tribe defined The term “Indian tribe” means any Indian tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village, or regional or village corporation, as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.</p>	<p>???</p>
<p>Months during short coverage gaps</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage</p> <p>(e) Exemptions (4) Months during short coverage gaps (A) In general Any month the last day of which occurred during a period in which the applicable individual was not covered by minimum essential coverage for a continuous period of less than 3 months.</p> <p>(B) Special rules For purposes of applying this paragraph— (i)the length of a continuous period shall be determined without regard to the calendar years in which months in such period occur, (ii)if a continuous period is greater than the period allowed under subparagraph (A), no exception shall be provided under this paragraph for any month in the period, and (iii)if there is more than 1 continuous period described in subparagraph (A) covering months in a calendar year, the exception provided by this paragraph shall only apply to months in the first of such periods. The Secretary shall prescribe rules for the collection of the penalty imposed by this section in cases where continuous periods include months in more than 1 taxable year.</p>	<p>???</p>

<p>Hardships</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage (e) Exemptions (5) Hardships Any applicable individual who for any month is determined by the Secretary of Health and Human Services under section 1311(d)(4)(H) to have suffered a hardship with respect to the capability to obtain coverage under a qualified health plan.</p>	<p>HHS?</p>
<p>Individuals residing outside United States or residents of territories</p>	<p>26 USC § 5000A - Requirement to maintain minimum essential coverage (e) Exemptions (4) Individuals residing outside United States or residents of territories Any applicable individual shall be treated as having minimum essential coverage for any month— (A)if such month occurs during any period described in subparagraph (A) or (B) of section 911(d)(1) which is applicable to the individual, or (B)if such individual is a bona fide resident of any possession of the United States (as determined under section 937(a)) for such month.</p> <p>26 USC § 911 - Citizens or residents of the United States living abroad (d) Definitions and special rules For purposes of this section— (1) Qualified individual The term “qualified individual” means an individual whose tax home is in a foreign country and who is— (A)a citizen of the United States and establishes to the satisfaction of the Secretary that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, or (B)a citizen or resident of the United States and who, during any period of 12 consecutive months, is present in a foreign country or countries during at least 330 full days in such period.</p> <p>26 USC § 937 - Residence and source rules involving possessions (a) Bona fide resident For purposes of this subpart, section 865(g)(3), section 876, section 881(b), paragraphs (2) and (3) of section 901(b), section 957(c), section 3401(a)(8)(C), and section 7654(a), except as provided in regulations, the term “bona fide resident” means a person— (1)who is present for at least 183 days during the taxable year in Guam, American Samoa, the Northern Mariana Islands, Puerto Rico, or the Virgin Islands, as the case may be, and (2)who does not have a tax home (determined under the principles of section 911(d)(3) without regard to the second sentence thereof) outside such specified possession during the taxable year and does not have a closer connection (determined under the principles of section 7701(b)(3)(B)(ii)) to the United States or a foreign country than to such specified possession. For purposes of paragraph (1), the determination as to whether a person is present for any day shall be made under the principles of section 7701(b).</p>	<p>IRS?</p>