



TaxNewsFlash

United States

No. 2018-172
April 27, 2018

Notice 2018-27: Relief for certain employers claiming section 45R credit, health insurance coverage

The IRS today released an advance version of Notice 2018-27 that provides relief with respect to the credit under section 45R (i.e., the small business health care tax credit).

[Notice 2018-27](#) [PDF 48 KB] provides relief for “eligible small employers” that claimed a credit under section 45R for all (or part of) the 2016 tax year (or claimed the credit for all or part of a later tax year), but the employer was not able to offer employees a “qualified health plan” (QHP) through a “small business health options program” (SHOP) exchange because the employer’s principal business address is in a county where a QHP through a SHOP exchange is not available.

Today’s notice provides that such employers may calculate the credit for the subsequent portion of the credit period by treating health insurance coverage provided for that portion of the credit period as qualifying for the section 45R credit if the coverage would have qualified for the credit under the section 45R rules applicable before January 1, 2014.

Notice 2018-27 includes examples to illustrate this guidance.

Read a related IRS release, [IR-2018-108](#)

The information contained in TaxNewsFlash is not intended to be “written advice concerning one or more Federal tax matters” subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader’s knowledge on the matters addressed therein, and is not intended to be applied to any specific reader’s particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents,

partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at + 1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)