



TaxNewsFlash

United States



No. 2021-406
October 6, 2021

Notice 2021-58: Application of certain extensions under COBRA (COVID-19)

The IRS today released an advance version of Notice 2021-58 that clarifies the application of the extension of timeframes by an IRS and Employee Benefits Security Administration (U.S. Labor Department) final rule—read [TaxNewsFlash](#)—and subsequent emergency relief notices to elections and payments of COBRA premiums during the coronavirus (COVID-19) national emergency.

[Notice 2021-58](#) [PDF 216 KB]:

- Clarifies that the disregarded period for an individual to elect “Consolidated Omnibus Budget Reconciliation Act of 1985” (COBRA) continuation coverage and the disregarded period for the individual to make initial and subsequent COBRA premium payments generally run concurrently
- Addresses the interaction of these rules with the “American Rescue Plan Act of 2021” (Pub. L. No. 117-2, enacted March 11, 2021) COBRA premium assistance and Notice 2021-31—read [TaxNewsFlash](#)
- Provides timelines and examples for calculating when individuals will need to elect and make their initial COBRA payments, based upon when these individuals elected COBRA under the emergency relief notices

The purpose of this report is to provide text of Notice 2021-58.

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