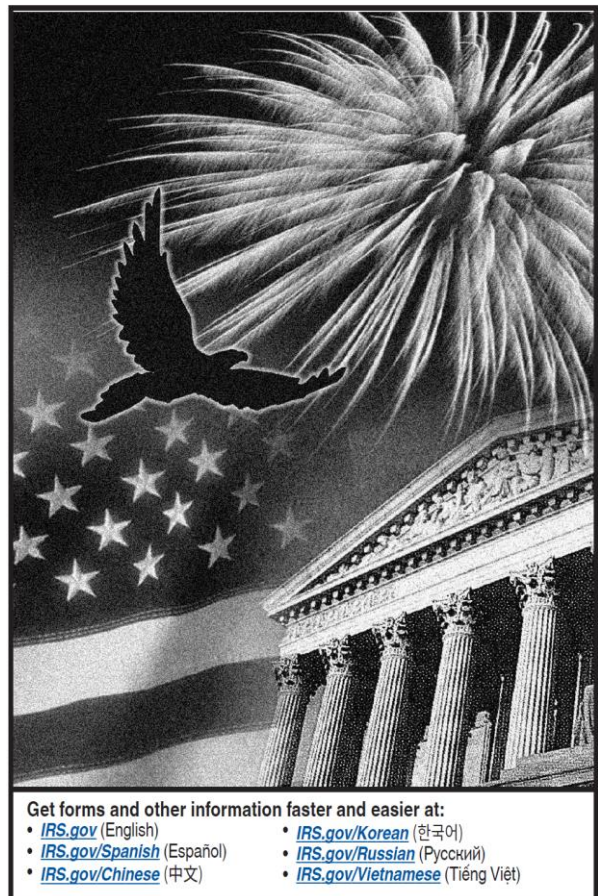


Publication 974

Premium Tax Credit (PTC)

Four use in preparing 2024 Returns

Volume 2 of 5



Department of the Treasury
Internal Revenue Service

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Written notice of QSEHRA. If you were provided a QSEHRA during 2024, your employer should have provided written notice to you by the later of October 3, 2023, or 90 days before the first day of the plan year of the QSEHRA, or if you're an employee who is not eligible to participate at the beginning of the year, the date on which you're first eligible to participate in the QSEHRA. The information in this notice is necessary to determine how the QSEHRA affects your PTC. The permitted benefit for **self-only** coverage as reported by the employer in the written notice is used to determine whether the QSEHRA is considered affordable coverage, regardless of whether the permitted benefit provided to you is for self-only or family coverage. If the notice provided to you does not include a permitted benefit amount for self-only coverage, you must contact your employer to get that information. Use Worksheet N to determine whether your QSEHRA is considered affordable coverage for

the months of the year that you were provided the QSEHRA. You will need the notice provided by your employer and the permitted benefit for self-only coverage to complete Worksheet N.

Permitted benefit reported on Form W-2.

Your employer should have reported your annual permitted benefit (self-only or family amount, as applicable) in box 12 of your Form W-2 with code FF. Your permitted benefit amount, as reported to you by your employer on Form W-2, is used to calculate the amount by which you must reduce your PTC, if you are otherwise eligible for the PTC. Use Worksheet Q to figure your monthly PTC for months in which you were provided a QSEHRA.

APTC for 2024 and 2025. If APTC was paid for your 2024 Marketplace coverage, your QSEHRA permitted benefit for 2024 was not considered by the Marketplace in calculating the amount of your 2024 APTC. Furthermore,

if you requested APTC for your 2025 Marketplace coverage, the Marketplace did not consider your 2025 permitted benefit in calculating the amount of your 2025 APTC. If you are provided a QSEHRA for 2025, you should contact the Marketplace and ask the Marketplace to reduce the amount of APTC to be paid on your behalf for 2025 to limit the risk of having excess APTC for 2025.

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Worksheet N. **Worksheet To Determine if the QSEHRA Is Considered Affordable**

Keep for Your Records 

Note. See [Special instructions for Worksheet N](#) if your SLCSP premium was not the same for all months of 2024 or you changed employers during 2024.

1. Enter the amount from Form 8962, line 3	1. _____
2. Multiply line 1 by 0.0839	2. _____
3. Enter the number of months you were provided the QSEHRA in 2024	3. _____
4. Divide line 2 by 12.0	4. _____
5. If you enrolled in a qualified health plan, enter the monthly premium you would pay for self-only coverage under the SLCSP offered by the Marketplace where you enrolled in coverage. If you did not enroll in a qualified health plan, enter the monthly premium that the oldest member of your coverage family who is enrolled in a qualified health plan would pay for self-only coverage under the SLCSP offered by the Marketplace where that family member enrolled. See Applicable SLCSP premium tools , later, to learn how to retrieve the applicable SLCSP premium	5. _____
6. Enter the self-only coverage permitted benefit from the written notice provided by your employer. If you were provided the QSEHRA for less than 12 months in 2024, see Part-year coverage , later, for what amount to enter on line 6	6. _____
7. Divide line 6 by line 3	7. _____
8. Subtract line 7 from line 5	8. _____
9. Compare lines 4 and 8. <ul style="list-style-type: none">• If line 4 is less than line 8, the QSEHRA is not considered affordable. Stop here. Complete Worksheet Q.• If line 4 is greater than or equal to line 8, the QSEHRA is considered affordable. Skip Worksheet Q. Stop here and do not file Form 8962 if you were provided a QSEHRA for every month you were covered by a qualified health plan and no APTC was paid for you or another individual in your tax family. Otherwise, enter "QSEHRA" in the top margin of Form 8962. If you are completing Form 8962, lines 12 through 23, stop here and enter -0- on lines 12 through 23, column (e), for each month you were provided the QSEHRA. If you are completing Form 8962, line 11, and you were provided the QSEHRA for all of 2024, stop here and enter -0- on line 11, column (e). If you were not provided the QSEHRA for all of 2024, complete lines 10 through 13 below.	
10. Enter the smaller of Form 8962, line 11, column (a) or (d)	10. _____
11. Divide line 10 by 12.0	11. _____
12. Multiply line 11 by line 3	12. _____
13. Subtract line 12 from line 10. Enter the result here and on Form 8962, line 11, column (e)	13. _____

Special instructions for Worksheet N if you did not have the same SLCSP for all months of 2024 or changed employers during 2024. You must complete a separate worksheet through line 8 for each part of the year in which you had a different SLCSP premium for self-only coverage while provided a QSEHRA, or you were provided a QSEHRA from different employers with different self-only permitted benefits. For example, Bob was employed for all of 2024 by an employer that provides a QSEHRA to its employees. Bob changed Marketplace policies in May of 2024 because of a change in residence. As a result, Bob's SLCSP premium for self-only coverage was different for the period January through May than for the period June through December. To determine the affordability of the QSEHRA provided to Bob, Bob must complete a separate Worksheet N for the period January through May and the period June through December.

Once you have completed the separate worksheets through line 8, read the following.

- If the Worksheets N show that the QSEHRA is unaffordable for at least 1 month (line 4 is less than line 8 on at least one of the worksheets), skip lines 9 through 13 and complete Worksheet Q.
- If the Worksheets N show that the QSEHRA is affordable for all months of 2024 (line 4 is greater than or equal to line 8 on all the worksheets), follow the instructions on line 9 of the worksheet relating to “If line 4 is greater than or equal to line 8.” Complete lines 10 through 13 if you are instructed to do so.

Part-year coverage—Instruction for line

6. If you were provided a QSEHRA for less than 12 months in 2024, the written notice your employer sent to you may have provided the self-only coverage permitted benefit for

only the months you were provided the QSEHRA or the self-only coverage permitted benefit for the entire year (if the notice provided to you does not include a permitted benefit amount for self-only coverage, you must contact your employer to get that information). If the notice provided the permitted benefit amount just for the months you were provided the QSEHRA, then enter that amount on line 6. If the notice provided the self-only coverage permitted benefit for the entire year, figure the amount to enter on line 6 as follows.

1. Divide the self-only coverage permitted benefit for the entire year by 12.0.
2. Multiply the result by the number of months you were provided the QSEHRA.

Instructions for Worksheet Q, Part III

Column A. If you completed Form 8962, lines 12 through 23, enter the smaller of column (a) or (d) on the lines in Part III for the months you were provided a QSEHRA. If you completed Form 8962, line 11, and were instructed to complete Part III in the second bullet under *Before you begin*, divide the amount on line 11, column (a), by 12.0. Then, divide the amount on line 11, column (d), by 12.0.

Enter the smaller of the 2 amounts on each line in column A for the months you were provided a QSEHRA.

Column B. The amount you enter in column B depends on whether the QSEHRA is considered affordable coverage for the month. For the months the QSEHRA is considered affordable coverage, enter in column B the amount you entered in column

A. For the months the QSEHRA is not considered affordable coverage, complete column B as follows.

- If you completed Part I, enter the amount from line 3 on the lines for the months you completed column A.
- If you skipped Part I, enter the monthly permitted benefit amount (the amount from box 12, code FF, of Form W-2, divided by the number of months you were provided the QSEHRA) on the lines for the months you completed column A.

To determine whether the QSEHRA is considered affordable coverage for any month, see Worksheet N.

Self-only permitted benefit for some months and family permitted benefit for others. Your permitted benefit is reported in box 12 of Form W-2 using code FF. However, if you received a self-only permitted benefit

for part of the year and a family permitted benefit for another part of the year, the amount reported on your Form W-2 reflects that change. For purposes of this worksheet, divide the self-only permitted benefit as described in the written notice from your employer by 12.0 to determine your column B monthly permitted benefit for the months in which you were provided a permitted benefit for self-only coverage. Divide the family permitted benefit as described in the written notice from your employer by 12.0 to determine your column B monthly permitted benefit for the months in which you were provided a permitted benefit for family coverage. If you were provided the QSEHRA for less than 12 months in 2024, see *Part-year coverage for taxpayers with changes in permitted benefits* next for what amount to enter on line 6 of Worksheet N.

Part-year coverage for taxpayers with changes in permitted benefits. If you

received a self-only permitted benefit for part of the year and a family permitted benefit for another part of the year and you were provided a QSEHRA for less than 12 months in 2024, you should consult the written notice your employer sent to you to determine the amount to enter in column B. The notice your employer sent to you may have included the permitted benefit for only the months you were provided the QSEHRA or the permitted benefit for the entire year. If the notice provided the permitted benefit for the entire year, divide the self-only coverage permitted benefit for the entire year by 12.0 and enter that amount in column B for the months you received a self-only permitted benefit. Then, divide the family coverage permitted benefit for the entire year by 12.0 and enter that amount in column B for the months you received a family permitted benefit. If the notice provided the permitted benefit for only the months you were provided the QSEHRA, divide that amount by the

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Before you begin:

- See [Worksheet N](#) to determine whether the QSEHRA is considered affordable coverage for any month. If the QSEHRA is considered affordable coverage for some months but not others, see the instructions for column B below for the amount you enter in column B for the affordable months.
- If the monthly permitted benefit was the same for each month you were provided the QSEHRA **and** the QSEHRA was not considered affordable for all of those months, go to Part I. If the monthly permitted benefit was not the same for each month you were provided the QSEHRA or the QSEHRA was considered affordable for some but not all the months it was provided, go to Part III. Skip Parts I and II.

Caution. If you received a self-only permitted benefit for part of the year and a family permitted benefit for another part of the year, you must complete Part III even though the amount reported on your Form W-2 reflects this change.

Part I: Monthly Permitted Benefit

1. Enter the amount from box 12, code FF, of Form W-2

1. _____

2. Enter the number of months you were provided the QSEHRA in 2024

2. _____

3. Divide line 1 by line 2. Then, do one of the following

3. _____

- If you are completing Form 8962, line 11, go to Part II below.
- If you are completing Form 8962, lines 12 through 23, go to Part III below. Skip Part II.

Part II: Annual Calculation

4. Enter the smaller of Form 8962, line 11, column (a) or (d)

4. _____

5. Divide line 4 by 12.0

5. _____

6. Enter the smaller of line 3 or line 5

6. _____

7. Multiply line 6 by line 2

7. _____

8. Subtract line 7 from line 4. Enter the result here and on Form 8962, line 11, column (e). Enter “QSEHRA” in the top margin of Form 8962. Skip Part III below

8. _____

Note. If the result is -0- and the amount you will enter on line 11, column (f), is also -0-, stop here. Do not file Form 8962.

Part III: Monthly Calculation

Month	A. Tentative monthly premium tax credit (see instructions)	B. Monthly permitted benefit (see instructions)	C. Subtract col. B from col. A. If less than zero, enter -0-.
9. January			
10. February			
11. March			
12. April			
13. May			
14. June			
15. July			
16. August			
17. September			
18. October			
19. November			
20. December			

21. If you are completing Form 8962, lines 12 through 23, stop here and enter the amounts from column C above in column (e) for the months you completed column A. Enter “QSEHRA” in the top margin of Form 8962.

Note. If all entries in columns (e) and (f) are -0- or blank, do not file Form 8962.

22. If you are completing Form 8962, line 11, add the amounts in column C above and enter the result here. If line 22 is -0- and no APTC was paid for you or another individual in your tax family, stop here and do not file Form 8962. Otherwise, do one of the following

22. _____

- If you were provided the QSEHRA for **all** of 2024, stop here and also enter the result on Form 8962, line 11, column (e). Enter “QSEHRA” in the top margin of Form 8962.
- If you were **not** provided the QSEHRA for all of 2024, complete lines 23 through 27 below to figure the amount to enter on Form 8962, line 11, column (e).

23. Enter the smaller of Form 8962, line 11, column (a) or (d)

23. _____

24. Divide line 23 by 12.0

24. _____

25. Multiply line 24 by the number of months you were provided the QSEHRA in 2024

25. _____

26. Subtract line 25 from line 23

26. _____

27. Add lines 22 and 26. Enter the result here and on Form 8962, line 11, column (e). Enter “QSEHRA” in the top margin of Form 8962

27. _____

number of months you were provided that permitted benefit under the QSEHRA and enter the amount in column B for the appropriate months.

Grandfathered Health Plan

A grandfathered health plan means any group health plan, group health insurance coverage, or individual health insurance coverage to which section 1251 of the ACA applies (in general, certain group health plans and health insurance coverage existing as of March 23, 2010, for as long as the coverage maintains that status under the applicable rules). Health plans must disclose if they are grandfathered. For more information about grandfathered health plans, go to [HealthCare.gov/Health-Care-LawProtections/Grandfathered-Plans/](https://www.healthcare.gov/health-care-law-protections/grandfathered-plans/).

Other Coverage Designated by the Department of Health and Human Services (HHS)

HHS has designated the following health benefit plans or arrangements as MEC.

1. Employer coverage provided to business owners who are not employees.
2. Coverage under a group health plan provided through insurance regulated by a foreign government if:
 - a. A covered individual is physically absent from the United States for at least 1 day during the month, or
 - b. A covered individual is physically present in the United States for a full month and the coverage provides health benefits within the United States while the individual is on expatriate status.

3. Coverage of pregnancy-related services that consists of full Medicaid benefits.
4. Other specific programs listed at [CMS.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-MarketReforms/Minimum-Essential-Coverage.html](https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-MarketReforms/Minimum-Essential-Coverage.html) (click on the link for “Approved Plans”). These programs include certain:
 - a. Self-insured university student health plans; and
 - b. Coverage resembling coverage under a state’s CHIP program that generally requires the payment of premiums with little or no government subsidy, often called CHIP buy-in programs.

In general, if you were eligible for coverage that HHS has designated as MEC, you are not eligible to claim the PTC for coverage through

the Marketplace. However, you are considered as eligible for MEC under a self-insured university student health plan or a CHIP buy-in program that has been designated as MEC only if you are enrolled in the coverage.

Individuals Not Lawfully Present in the United States Enrolled in a Qualified Health Plan

The PTC is not allowed for the coverage of an individual who is not lawfully present in the United States. All APTC paid for an individual not lawfully present who enrolls in a qualified health plan must be figured. If all family members enrolled in a qualified health plan are not lawfully present, see the discussion immediately below. If you or a member of your family is not lawfully present and was enrolled in a qualified health plan with family members who are lawfully present for 1 or more months of the year, you must use the instructions under Lawfully Present and Not Lawfully Present Family Members Enrolled, later, to find out how much APTC, if any, was allowable.



For more information about who is treated as lawfully present for this purpose, go to

[HealthCare.gov/Immigrants/Immigration-Status/](https://www.healthcare.gov/immigrants/immigration-status/).

All Enrolled Family Members Not Lawfully Present

If all family members enrolled in a qualified health plan are not lawfully present, no PTC is allowed. Complete lines on Form 8962 as explained below. **Leave all other lines blank.**

Lines 1, 2a, 3, 4, and 5. Enter -0-.

Line 9. Complete line 9 as provided in the Form 8962 instructions to determine whether you must complete Part IV for an allocation of policy amounts. Complete Part IV if instructed to do so by Table 3 in the Form 8962 instructions. Do **not** complete Part V.

Line 11, column (f) (or lines 12 through 23, column (f), if you complete Part IV).

If you checked “No” on line 9, enter the total of your Form(s) 1095-A, Part III, line 33C, on line 11, column (f). If you checked “Yes” on line 9, complete lines 12 through 23, column (f), as provided in the Form 8962 instructions.

Line 24. Enter -0-.

Lines 25, 27, and 29. Enter the amount from line 11, column (f) (or the total of lines 12 through 23, column (f)), on each line. Then, follow the instructions for line 29.

Lawfully Present and Not Lawfully Present Family Members Enrolled



Before you read the following discussion, first familiarize yourself with the definitions of tax family and coverage family discussed under Terms You May Need To Know, earlier.

If you or a member of your family is not lawfully present and was enrolled in a qualified health plan with family members who are lawfully present for 1 or more months of the year, you may take the PTC only for the coverage of the lawfully present family members. You must determine how much APTC was paid for the coverage of a not lawfully present family member. Complete Form 8962 using the following steps.

Step 1. Complete Part I according to the instructions. If you are not eligible for the PTC, skip the rest of these steps, complete Form 8962 through line 27, and then see *How To Determine the Excess APTC That Must Be Repaid*, later.

Step 2. Determine your monthly enrollment premiums and applicable SLCSP premium using the instructions under *How To Determine Your Monthly Enrollment Premiums and SLCSP Premium*, later.

Step 3. Complete line 9, including Parts IV and V if instructed to do so.

Step 4. If Situation 1 (discussed later) applies to you, do one of the following.

- If the enrolled lawfully present family members are enrolled for **all** 12 months of 2024, check “Yes” on line 10 and complete line 11, and lines 24 through 29, as appropriate.
- If the enrolled lawfully present family members are enrolled for **less than** 12 months, check “No” on line 10, skip line 11, and complete lines 12 through 29, as appropriate.

If Situation 2 (discussed later) applies to you, check “No” on line 10, skip line 11, and complete lines 12 through 25. Then, do one of the following.

- If line 24 is less than line 25, you have excess APTC. See How To Determine

the Excess APTC That Must Be Repaid, later.

- If line 24 is equal to or greater than line 25, complete line 26 as instructed. (Do not follow the instructions under *How To Determine the Excess APTC*, later.)

How To Determine Your Monthly Enrollment Premiums and Applicable SLCSP Premium

See Situation 1 or Situation 2 next for how to determine your monthly enrollment premium and applicable SLCSP premium.

Situation 1—Not lawfully present family members enrolled and no other changes in enrollment or coverage family.

Situation 1 applies if you have family members who are not lawfully present that are enrolled for all or a part of the year, there are no changes in your coverage family

during the year (counting only lawfully present family members), and there are no enrollment changes involving your lawfully present family members enrolled in the coverage during the year. If Situation 1 applies, you should enter on Form 8962 for every month of the year the enrollment premiums and applicable SLCSP premium the Marketplace reports on Form 1095-A for the months when only lawfully present individuals were enrolled in the coverage. If a not lawfully present family member was enrolled for the entire year, see No reference month, later.

Example 1. Andrew enrolls himself and his three dependents, Terri, Phil, and Anne in a qualified health plan. Anne is not lawfully present in the United States. The monthly enrollment premiums for the plan are \$1,000. No one in Andrew's family is eligible for MEC (other than Marketplace coverage) and the applicable SLCSP premium that would apply

to all four members of Andrew's family is \$1,200. There are no changes involving the lawfully present members of the coverage family during the year. Anne is disenrolled from coverage as of April 1. The monthly enrollment premiums for Andrew and his other two dependents are \$800 and the applicable SLCSP premium that applies to Andrew's coverage family of three is \$900. The Marketplace reports the following amounts on Form 1095-A, Part III.

Months	Column A	Column B
January, February, March	\$1,000	\$1,200
April through December	\$800	\$900

When completing Form 8962, Andrew enters \$9,600 (\$800 x 12) as the enrollment premiums on line 11, column (a), and

\$10,800 ($\900×12) as the premium for the applicable SLCSP on line 11, column (b).

Situation 2—Changes in enrollment or coverage family involving a lawfully present family member. Situation 2 applies if you have family members who are not lawfully present that are enrolled for all or a part of the year, and there are either changes in your coverage family during the year (counting only lawfully present family members) or enrollment changes involving your lawfully present family members enrolled in the coverage during the year. If Situation 2 applies, use these rules to determine the enrollment premiums and the applicable SLCSP premium for the months any not lawfully present family members are enrolled. First, use Worksheet A to determine if you have a reference month for enrollment premiums or for the applicable SLCSP premium. You may have a reference month for enrollment premiums (discussed next) or

a reference month for the applicable SLCSP premium (discussed later), or for both.

Reference month for enrollment

premiums. A reference month for enrollment premiums is a month in which the not lawfully present family member is not enrolled in coverage and there are no other changes in the members of your family who are enrolled in the coverage. In other words, your enrolled family members are the same during the reference month as for a month the not lawfully present family member was enrolled, except that the not lawfully present family member is not enrolled. Enter on Form 8962, Part II, column (a), the enrollment premiums for the reference month as the enrollment premiums for the months the not lawfully present family member was enrolled.

Reference month for SLCSP premium. A reference month for the applicable SLCSP premium is a month in which the not lawfully present family member is not enrolled in

coverage and there are no other changes in your coverage family. In other words, your coverage family is the same during the reference month as for a month the not lawfully present family member was enrolled, except the not lawfully present family member is not included in your coverage family. Enter on Form 8962, Part II, column (b), the applicable SLCSP premium for the reference month as the applicable SLCSP premium for the months the not lawfully present family member was enrolled.

No reference month. If you do not have a reference month for enrollment premiums, you may have to contact your insurance company to find out what the amount of the enrollment premiums would have been if the policy had covered only lawfully present family members. If you do not have a reference month for the applicable SLCSP premium, you must look up the SLCSP premium that applies to your coverage family

(without any not lawfully present family members). See *Determining the Premium for the Applicable Second Lowest Cost Silver Plan (SLCSP)*, later.



You may use Worksheet A to determine whether you have any reference months.

Example 2. The facts are the same as in Example 1, earlier, except that Andrew becomes eligible for employer-sponsored coverage on September 1, notifies the Marketplace, but remains enrolled in the qualified health plan (although he cannot take the PTC for his coverage for the months after August). The applicable SLCSP premium that applies to Terri and Phil is only \$400. The Marketplace reports the following amounts on Form 1095-A, Part III.

Months	Column A	Column B
January, February, March	\$1,000	\$1,200
April through August	\$800	\$900
. .		
September through December . . .	\$800	\$400

Andrew must complete lines 12 through 23 of Form 8962. April through August are reference months for both enrollment premiums and the applicable SLCSP premium for January through March (the months Anne was enrolled in coverage) because Andrew's coverage family and enrolled family members for April through August (Andrew, Phil, and Terri) are the same as for January through March except for Anne who is not lawfully present. (September through December are also reference months for enrollment premiums.) The enrollment premiums and

SLCSP premium for April through August are the same amounts they would have been for January through March without Anne.

Therefore, for the months January through March, Andrew enters on Form 8962, lines 12 through 23, \$800 (the enrollment premiums for April through August) in column (a) and \$900 (the SLCSP premium that applies to the coverage family for April through August) in column (b).

Example 3. The facts are the same as in *Example 1*, earlier, except that Andrew becomes eligible for employer-sponsored coverage on April 1, notifies the Marketplace, but remains enrolled in the qualified health plan. The Marketplace reports the following amounts on Form 1095-A, Part III.

Months	Column A	Column B
January, February, March	\$1,000	\$1,200
April through December	\$800	\$400


Andrew does not have a reference month for the applicable SLCSP premium for the months Anne was enrolled in the qualified health plan because there is another change in his coverage family for the months April through December (Andrew is not in the coverage family because he is eligible for employer-sponsored coverage). Thus, there are no months when Andrew's coverage family is the same (except for Anne) before and after Anne is disenrolled from coverage. Andrew must look up the SLCSP premium that applies to his coverage family without Anne. Andrew determines that the correct applicable SLCSP premium to enter on Form 8962 for the

months January through March for a coverage family consisting of Andrew, Terri, and Phil is \$900.

April through December are reference months for Andrew for enrollment premiums because the family members who are enrolled for those months are the same family members who were enrolled in January through March, except for Anne.

Therefore, for the months January through March, Andrew enters on Form 8962, lines 12 through 23, \$800 (the enrollment premiums for April through December) in column (a) and \$900 (the SLCSP premium that would apply to the coverage family of Andrew, Terri, and Phil) in column (b).

Worksheet A. Do You Have Any Reference Months?

Keep for Your Records 

Use this worksheet to determine whether you have any reference months.

Months in 2024	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
1. Check a box for each month in which any family members not lawfully present were enrolled in coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Check a box for each month in which: • Only lawfully present family members were enrolled in coverage; and • There were no other changes in members of your tax family * who are enrolled in coverage, as compared to a month for which you checked a box on line 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The months for which you checked boxes on line 2 are your reference months for enrollment premiums. Use the enrollment premium reported on Form 1095-A, Part III, column A, for the reference month as your enrollment premium on Form 8962 for the month(s) you checked on line 1. Note. If you did not check any boxes on this line, see No reference month , earlier.												
3. Check a box for each month in which: • Only lawfully present family members were enrolled in coverage; and • There were no other changes in your coverage family ,* as compared to a month for which you checked a box on line 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The months for which you checked boxes on line 3 are your reference months for the applicable SLCSP premium. Use the applicable SLCSP premium reported on Form 1095-A, Part III, column B, for the reference month as your applicable SLCSP premium on Form 8962 for the month(s) you checked on line 1. Note. If you did not check any boxes on this line, see No reference month , earlier.												
* See <i>Terms You May Need To Know</i> , earlier, for the definitions of tax family and coverage family.												

How To Determine the Excess APTC That Must Be Repaid

The excess APTC (see the instructions for Form 8962, line 28) applies only to excess APTC for coverage of lawfully present individuals. Excess APTC that relates to the coverage of individuals who are not lawfully present must be figured without limitation. Use Worksheet B to determine the amount of excess APTC if all of the following apply.

- You or a member of your family is not lawfully present and is enrolled in a qualified health plan with family members who are lawfully present for 1 or more months of the year.
- You have excess APTC on line 27 of Form 8962.
- Your excess APTC on line 27 of Form 8962 is more than your amount from Table 5 in the Form 8962 instructions.

If line 27 is not more than your amount from Table 5 in the Form 8962 instructions, do not complete Worksheet B. Leave line 28 of Form 8962 blank, enter the amount from line 27 on line 29, and follow the instructions for line 29. If you must complete Worksheet B, see the illustrated example.

Illustrated Example of Determining the Excess APTC That Must Be Repaid

Andrew enrolls himself and his three dependents, Terri, Phil, and Anne in a qualified health plan. Anne is not lawfully present in the United States and is disenrolled from the coverage as of April 1. Andrew becomes eligible for employer-sponsored coverage on September 1, notifies the Marketplace, but remains enrolled in the qualified health plan. The Marketplace reports the following amounts on Form 1095-A, Part III.

Months	Column A	Column B	Column C
--------	----------	----------	----------

January, February, March			
.	\$1,000	\$1,200	\$953
April through August			
.	\$800	\$900	\$653
September through December . .			
.	\$800	\$400	\$153

Step 1. Andrew completes Part I of Form 8962 (not illustrated). His household income for the year on his Form 8962, line 3, is \$82,500, which is 275% of the federal poverty line. The annual contribution amount Andrew enters on line 8a is \$4,125 and the monthly contribution amount he enters on line 8b is \$344.

Step 2. Andrew determines his monthly enrollment premiums and applicable SLCSP premium using the instructions under How To

Determine Your Monthly Premium and Applicable SLCSP Premium, earlier. Situation 2 in that discussion applies to Andrew because he has a lawfully present family member enrolled in coverage and there are changes in his coverage family in 2024, counting only lawfully present family members: beginning in September, only Phil and Terri are in the coverage family. Andrew is no longer in the coverage family because he becomes eligible for employer-sponsored coverage.

Andrew completes Worksheet A as explained below to determine his reference months for the enrollment premiums and the applicable SLCSP premium for the months Anne was enrolled. (Andrew's Worksheet A is shown later.)

Line 1. He checks the boxes for January, February, and March because those are the months in which Anne is enrolled in Marketplace coverage.

Line 2. He checks the boxes for April through December. Those months are reference months for enrollment premiums (\$800) for January through March because his tax family for these months (Andrew, Phil, and Terri) is the same as for January through March except for Anne.

Line 3. He checks the boxes for April through August. These months are reference months for the applicable SLCSF premium (\$900) for January through March because Andrew's coverage family for these months (Andrew, Phil, and Terri) is the same as for January through March except for Anne. September through December are **not** reference months for the applicable SLCSF premium (and Andrew doesn't check these boxes) because, as explained above, there was another change in his coverage family beginning in September.

Step 3. Andrew checks "No" on line 9 because he is neither allocating policy

amounts with another taxpayer nor using the alternative calculation for year of marriage.

Step 4. Because Situation 2 (discussed earlier) applies to Andrew, he checks “No” on line 10, skips line 11, and completes lines 12 through 25. On lines 12 through 14, column (a), he enters \$800 as determined on Worksheet A, line 2. On lines 12 through 14, column (b), he enters \$900 as determined on Worksheet A, line 3.

Andrew’s PTC on line 24 (\$4,448) is less than his APTC on line 25 (\$6,736), and his excess APTC on line 27 (\$2,288) is greater than his Table 5 repayment limitation amount (\$1,900) in the Form 8962 instructions.

According to the instructions under *How To Determine the Excess APTC That Must Be Repaid*, earlier, Andrew must complete Worksheet B to figure the amount of excess APTC.

Andrew completes Worksheet B as follows.

Line 1. Andrew enters \$953. This is the monthly APTC shown on Form 1095-A, Part III, column C, for January, February, and March (the months that Anne was enrolled in coverage).

Line 2. Andrew enters \$556. This is the amount from Form 8962, Part II, column (e), for January through March and represents the applicable monthly SLCSP premium for April through August (reference months for the applicable SLCSP premium) for Andrew, Terri, and Phil of \$900 minus the monthly contribution amount of \$344 from Form 8962, line 8b.

Line 4. Andrew enters \$1,000. This is the monthly premium for January through March shown on Form 1095-A, Part III, column A.

Line 5. Andrew enters \$1,200. This is the applicable SLCSP premium shown on Form 1095-A, Part III, column B.

Line 6. Andrew enters \$344. This is the monthly contribution amount from Form 8962, line 8b.

Lines 7 through 14. Andrew completes these lines as instructed on Worksheet B.

Line 15. Line 14 is not more than line 13. Accordingly, Andrew enters the amount from line 14 (\$2,288) on Form 8962, lines 28 and 29.

Worksheet B. Excess APTC That Must Be Repaid

Keep for Your Records 

Complete columns **only** for the months a not lawfully present family member was enrolled in coverage. (If you completed [Worksheet A](#), these are the months for which you checked a box on line 1 of the worksheet.)

Months in 2024	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
1. Enter APTC from Form 1095-A, Part III, column C													
2. Enter the monthly credit amount from Form 8962, Part II, column (e)													
3. Subtract line 2 from line 1. If zero or less, leave this line blank and skip lines 4 through 10 for the month													
4. Enter the monthly premium amount from Form 1095-A, Part III, column A													
5. Enter the SLCSP premium from Form 1095-A, Part III, column B													
6. Enter the monthly contribution amount from Form 8962, line 8b													
7. Subtract line 6 from line 5													
8. Enter the smaller of line 4 or line 7													
9. Subtract line 8 from line 1. If zero or less, enter -0-													
10. Subtract line 9 from line 3													
11. Add the amounts on line 10. If all of your line 3 results were zero or less, stop here . None of your excess APTC was from individuals who were not lawfully present. Enter the repayment limitation amount from Table 5 in the Form 8962 instructions on Form 8962, line 28, and continue to line 29												11.	
12. Enter the repayment limitation amount from Table 5 in the Form 8962 instructions												12.	
13. Add lines 11 and 12												13.	
14. Enter the amount from Form 8962, line 27												14.	
15. Compare lines 13 and 14. • If line 14 is more than line 13, enter the amount from line 13 on Form 8962, lines 28 and 29, and follow the instructions for line 29. • If line 14 is less than or equal to line 13, leave Form 8962, line 28, blank and enter the amount from line 27 on line 29.													

Andrew's Worksheet B. **Excess APTC That Must Be Repaid**

Complete columns **only** for the months a not lawfully present family member was enrolled in coverage. (If you completed [Worksheet A](#), these are the months for which you checked a box on line 1 of the worksheet.)

Months in 2024	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
1. Enter APTC from Form 1095-A, Part III, column C	\$953	\$953	\$953									
2. Enter the monthly credit amount from Form 8962, Part II, column (e)	556	556	556									
3. Subtract line 2 from line 1. If zero or less, leave this line blank and skip lines 4 through 10 for the month	397	397	397									
4. Enter the monthly premium amount from Form 1095-A, Part III, column A	1,000	1,000	1,000									
5. Enter the SLCSF premium from Form 1095-A, Part III, column B	1,200	1,200	1,200									
6. Enter the monthly contribution amount from Form 8962, line 8b	344	344	344									
7. Subtract line 6 from line 5	856	856	856									
8. Enter the smaller of line 4 or line 7	856	856	856									
9. Subtract line 8 from line 1. If zero or less, enter -0-	97	97	97									
10. Subtract line 9 from line 3	300	300	300									
11. Add the amounts on line 10. If all of your line 3 results were zero or less, stop here . None of your excess APTC was from individuals who were not lawfully present. Enter the repayment limitation amount from Table 5 in the Form 8962 instructions on Form 8962, line 28, and continue to line 29											11.	900
12. Enter the repayment limitation amount from Table 5 in the Form 8962 instructions											12.	1,900
13. Add lines 11 and 12											13.	2,800
14. Enter the amount from Form 8962, line 27											14.	2,288
15. Compare lines 13 and 14. <ul style="list-style-type: none">If line 14 is more than line 13, enter the amount from line 13 on Form 8962, lines 28 and 29, and follow the instructions for line 29.If line 14 is less than or equal to line 13, leave Form 8962, line 28, blank and enter the amount from line 27 on line 29.												

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Determining the Premium for the Applicable Second Lowest Cost Silver Plan (SLCSP)

If you or a member of your family enrolls in a qualified health plan and APTC is paid for the coverage, the Marketplace will generally identify the applicable SLCSP premium and report it on Form 1095-A. The Marketplace determines the applicable SLCSP premium based on your address and the members of your coverage family. Providing correct information on your application for financial assistance and notifying the Marketplace if you move or the members of your coverage family change are necessary for the Marketplace to report a correct applicable SLCSP premium. If the Marketplace does not have accurate and updated information, the applicable SLCSP premium the Marketplace

reports on Form 1095-A may not be accurate for all months and you will need to determine the correct applicable SLCSP premium for those months. See *Applicable SLCSP premium tools* below.

If you did not request financial assistance (APTC) and the Marketplace has an applicable SLCSP premium tool (discussed in the next paragraph), the Marketplace will not report an applicable SLCSP premium (Part III, column B, will report -0- or be blank). If you did not request financial assistance (APTC) and the Marketplace does not have an applicable SLCSP premium tool, it may report an SLCSP premium that applies to everyone enrolled in your qualified health plan because it may not be able to identify the members of your coverage family from the information on your application. If you take the PTC on your tax return, you will need to determine the SLCSP premium that applies to your coverage family for each month of coverage.

Applicable SLCSP premium tools. Only the Marketplaces are able to provide applicable SLCSP premiums. The federally facilitated Marketplace and most state Marketplaces have provided applicable SLCSP premium tools that, as you prepare your tax return, you may use to look up the SLCSP premium that applies to your coverage family for each month. If you enrolled through the federally facilitated Marketplace, you will find the tool at [HealthCare.gov/Tax-Tool/](https://www.healthcare.gov/tax-tool/).

If you enrolled through a state-based Marketplace, you may find information about whether your state has an applicable SLCSP premium tool on the state-based Marketplace's website. If the website does not have an applicable SLCSP premium tool, you will need to contact the state-based Marketplace directly for the correct SLCSP premium.

Allocating Policy Amounts for Individuals With No One in Their Tax Family

If an individual you enrolled in coverage is not included in any tax family, you must reconcile the APTC paid for the individual's coverage, even if you are claimed as a dependent by another taxpayer. If you are enrolled in the same policy as the individual not included in any tax family, you have to allocate policy amounts even though the conditions in the Form 8962 instructions for line 9 are not met. Use the example below to complete Form 8962 if your family size is zero but you have to allocate policy amounts.

Example. Mark enrolls himself and his child, Donna, in a qualified health plan with coverage effective for all of 2024. The Form 1095-A he received from the Marketplace shows that \$6,000 of APTC was paid for their coverage (\$500 is entered in Part III, column

C, for each of lines 21 through 32). Mark files an income tax return for 2024 on Form 1040 and does not include anyone in his tax family. Mark's parents, Steve and Sherry, include Mark in their tax family. No one includes Donna in their tax family. Because Mark enrolled Donna in coverage and no one includes Donna in their tax family, Mark must reconcile the APTC paid for Donna's coverage. Steve and Sherry must reconcile the APTC paid for Mark's coverage. Because Steve and Sherry must reconcile the APTC paid for Mark's coverage and Mark must reconcile the APTC paid for Donna's coverage, Mark must complete Part IV of Form 8962 to allocate policy amounts with Steve and Sherry. Mark, Sherry, and Steve do not agree on an allocation percentage. Mark completes Form 8962 as follows.

Lines 1, 2a, 3, 4, and 5. Mark enters -0-.

Line 9. Mark reads *Allocating policy amounts* under *Line 9* in the Form 8962 instructions.

Although the first condition in that discussion is not met, the allocation rules still apply because the APTC must be reported on two separate returns (Mark's for Donna; Steve and Sherry's for Mark). He checks "Yes" on line 9. Then, he reads Table 3 in the instructions. According to Step 3 in Table 3, he must allocate in Part IV using the rules under *Allocation Situation 4. Other situations where a policy is shared between two tax families* in the Form 8962 instructions.

Line 30 (Part IV). Mark enters the Marketplace-assigned policy number in column (a), Steve's SSN in column (b), "01" in column (c), and "12" in column (d). He leaves columns (e) and (f) blank because he is not an applicable taxpayer. He enters "0.50" in column (g). This is the allocation percentage based on the rules under *Allocation Situation 4. Other situations where a policy is shared between two tax families* in the Form 8962 instructions.

Lines 12 through 23, column (f). Mark enters \$250 on each line ($0.50 \times$ the \$500 APTC shown on his Form 1095-A).

Lines 25, 27, and 29. Mark enters \$3,000 APTC, which is the total of lines 12 through 23, column (f), on these lines and on his Schedule 2 (Form 1040), line 1a.

Allocation of Policy Amounts Among Three or More Taxpayers

This section covers allocations of policy amounts (enrollment premiums, applicable SLCSP premiums, and APTC) among three or more taxpayers.

Before you read this section, first read *Part IV—Allocation of Policy Amounts* in the Form 8962 instructions. Then, use the following instructions to complete Part IV of Form 8962 if one qualified health plan covers individuals from three or more tax families in the same month. Specifically, these instructions apply to:

- Taxpayers who must allocate policy amounts because of a divorce or legal separation in 2024 and must also allocate policy amounts with another taxpayer (for example, a grandparent

who includes in their tax family a child enrolled with the former spouses);

- Taxpayers who must allocate policy amounts because they are legally married but are not filing a joint return (for example, filing their returns as married filing separately), and must also allocate policy amounts with another taxpayer (for example, a grandparent who includes in their tax family a child enrolled with the spouses); and
- Other taxpayers who are including an individual in their tax family who is enrolled in a qualified health plan together with members of two or more other tax families.

No APTC. If you or a member of your tax family is enrolled in a qualified health plan with members of two or more other tax families and no APTC is paid for coverage under the plan, use the instructions for Form

8962 under *Allocation Situation 3. No APTC* to allocate the enrollment premiums from the qualified health plan among the tax families. You allocate the enrollment premiums in proportion to the SLCSP premium that applies to each taxpayer who has a coverage family member enrolled in the plan. For purposes of this enrollment premium allocation, only coverage family members enrolled in the plan are considered in determining the SLCSP premium that applies to each taxpayer. You and the other taxpayers must complete column (e) on the appropriate line in Part IV to allocate the enrollment premiums to each family. Leave columns (f) and (g) blank. See *Missing or incorrect SLCSP premium on Form 1095-A* under *Line 10* in the Form 8962 instructions to determine your applicable SLCSP premium to use for the allocation.

Allocation Among Two Taxpayers Who Divorced or Legally Separated in 2024 and One or More Other Taxpayers

Use this section to allocate policy amounts from a qualified health plan if you meet either of the following conditions and no other allocations for the policy are necessary.

- You are allocating enrollment premiums, applicable SLCSP premiums, and APTC with a former spouse as a result of your divorce or legal separation in 2024 and are also allocating amounts with another taxpayer who is including an individual in their tax family who, when you were married to the former spouse, was enrolled in a qualified health plan with members of your and your former spouse's tax families.

- You are the taxpayer who is including in your tax family an individual enrolled in the plan with tax family members of taxpayers who must also allocate policy amounts as a result of divorce or separation in 2024.

Example. Kara and David and their two children, Meredith and Sam, enroll in a qualified health plan for 2024. Kara and David were married at the beginning of 2024 and divorce in 2024. Meredith and Sam move in with their grandmother, Lydia, in May of 2024. Lydia claims Meredith and Sam as dependents on her 2024 income tax return. Kara, David, and Lydia use this section to allocate policy amounts to compute their respective PTC and reconcile the PTC with the APTC paid.

Kara and David use the allocation method under Rules for the Taxpayers Who Divorced or Legally Separated in 2024 and Are Also Allocating With Another Taxpayer next.

Lydia uses the allocation method under Rules for the Taxpayer(s) Allocating With Taxpayers Who Divorced or Legally Separated in 2024, later.

Rules for the Taxpayers Who Divorced or Legally Separated in 2024 and Are Also Allocating With Another Taxpayer

Use this allocation method if you divorced or legally separated during the year and you must allocate policy amounts (enrollment premiums, applicable SLCSP premiums, and APTC) with your former spouse as well as with another taxpayer who is including in their tax family an individual enrolled in a qualified health plan with members of your and your former spouse's tax families.

Step 1. Determine an allocation percentage with your former spouse. You use this percentage to allocate the total enrollment premiums, the applicable SLCSP premiums,

and APTC for coverage under the plan during the months you were married. You will find these amounts on your Form(s) 1095-A, Part III, columns A, B, and C, respectively. You and your former spouse can allocate these amounts using any percentage you agree on from -0- to 100, but you must allocate all amounts using the same percentage. If you do not agree on a percentage, you and your former spouse must allocate 50% of each of these amounts to each of you.

Step 2. Separately from the first allocation, determine an allocation percentage with the taxpayer(s) who included in their tax family the individual(s) enrolled in the plan with a member of your tax family or a member of your former spouse's tax family. You may agree on any allocation percentage from -0- to 100. You may use the percentage you agreed on for every month that this allocation rule applies, or you may agree on different percentages for different months. However,

you must use the same allocation percentage for all policy amounts (enrollment premiums, applicable SLCSP premiums, and APTC) in a month. If you cannot agree on an allocation percentage, the allocation percentage is equal to the number of individuals the other taxpayer includes in their tax family for the tax year who were enrolled in the plan for which you are allocating policy amounts, divided by the total number of individuals enrolled in the qualified health plan. The allocation percentage is the percentage that applies to the amounts the other taxpayer must use to compute the PTC and reconcile it with APTC. You and your former spouse must compute the PTC and reconcile APTC using the remaining amounts.

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Step 3. Complete Worksheet C below.

Worksheet C. **Allocations for the Divorced or Legally Separated Taxpayers**

1. Enter as a decimal your percentage from Step 1 above	1.	_____
2. Enter 1.0	2.	_____ 1.0
3. Enter as a decimal the total of the percentage(s) from Step 2 above allocated to the other taxpayer(s).		
Note. See <i>Example 2</i> , later, for details on adding the percentages for multiple taxpayers		
4. Subtract line 3 from line 2	3.	_____
5. Multiply line 1 by line 4. Enter the result as a decimal. This is your allocation percentage. Go to Step 4 below	4.	_____
	5.	_____

Step 4. If you use the same percentage in Step 2 above for every month to which this allocation method applies, use only **one** of lines 30 through 33 in Part IV to report the allocation. If you use different percentages for different months under Step 2, use a separate line in Part IV for each allocation percentage. Complete the line as explained below.

Column (a). Enter the Marketplace-assigned policy number from Form 1095-A, line 2. If the policy number on the Form 1095-A is more than 15 characters, enter only the last 15 characters.

Column (b). Enter the SSN of your former spouse.

Column (c). Enter the first month you are allocating policy amounts. For example, if you are allocating a percentage from January through June, enter "01" in column (c).

Column (d). Enter the last month you are allocating policy amounts. For example, if you

are allocating a percentage from January through June, enter “06” in column (d).

Columns (e), (f), and (g). Enter the decimal from Worksheet C, line 5.

Rules for the Taxpayer(s) Allocating With Taxpayers Who Divorced or Legally Separated in 2024

Use this allocation method if you are including in your tax family one or more individuals who were enrolled in a qualified health plan with members of the tax families of other taxpayers who must also allocate policy amounts as a result of divorce or legal separation in 2024.

Step 1. Determine an allocation percentage with one of the former spouses. You may agree on any allocation percentage from -0- to 100. You may use the percentage you agreed on for every month during which this allocation rule applies, or you may agree on different percentages for different months.

However, you must use the same allocation percentage for all policy amounts (enrollment premiums, applicable SLCSP premiums, and APTC) in a month. If you cannot agree on an allocation percentage, the allocation percentage is equal to the number of individuals you include in your tax family for the tax year who were enrolled in the qualified health plan for which you are allocating policy amounts, divided by the total number of individuals enrolled in the plan. The allocation percentage is the percentage that applies to the amounts you must use to compute the PTC and reconcile it with APTC. The former spouse must compute the PTC and reconcile APTC using the remaining amounts.

Step 2. Allocate the policy amounts with the second former spouse using the same rules as Step 1 above. Enter the percentage on line 4 of Worksheet D.

Step 3. Complete Worksheet D below.

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Worksheet D. **Taxpayer Allocating With Divorced or Separated Taxpayers**

1. Enter the decimal from line 1 of the Worksheet C completed by one of the former spouses from Step 1 above	1.	_____
2. Enter as a decimal the percentage from Step 1 above	2.	_____
3. Multiply line 1 by line 2	3.	_____
4. Enter the decimal from line 1 of the Worksheet C completed by the other former spouse from Step 2 above	4.	_____
5. Enter as a decimal the percentage from Step 2 above	5.	_____
6. Multiply line 4 by line 5	6.	_____
7. Add line 3 and line 6. This is the allocation percentage. Go to Step 4 below	7.	_____

Step 4. If you use the same percentages in Steps 1 and 2 above for every month to which this allocation method applies, use only **one** of lines 30 through 33 in Part IV to report the allocation. If you use different percentages for different months in Step 1 or Step 2, use a separate line in Part IV for each allocation percentage. Complete the line as explained below.

Column (a). Enter the Marketplace-assigned policy number from Form 1095-A, line 2. If the policy number on the Form 1095-A is more than 15 characters, enter only the last 15 characters.

Column (b). Enter the SSN of the former spouse whose percentage you entered on Worksheet D, line 1.

Column (c). Enter the first month you are allocating policy amounts. For example, if you are allocating a percentage from January through June, enter "01" in column (c).

Column (d). Enter the last month you are allocating policy amounts. For example, if you are allocating a percentage from January through June, enter "06" in column (d).

Columns (e), (f), and (g). Enter the decimal from Worksheet D, line 7.

Example 1. Kara and David were married at the beginning of 2024 and have two children, Meredith and Sam. Kara enrolled herself, David, Meredith, and Sam in a qualified health plan with coverage effective January 1. For each month of coverage, the enrollment premiums were \$700, the applicable SLCSP premium for a coverage family of four was \$650, and the APTC was \$425.