



## ACA Information Reporting Penalties **Increased** for Returns Filed in 2025

Now that the reporting deadlines for the 2023 calendar year, which took place in 2024, have passed, it is time to focus on next year's filing deadlines and penalties. IRS [Revenue Procedure 2023-34](#) includes the updated penalty amounts that may apply to reporting entities that fail to comply with the Affordable Care Act's (ACA) requirements under Internal Revenue Code Sections 6055 and 6056.

**The increased amounts apply to 2024 information returns and individual statements that are required to be filed and furnished in 2025.**

### General Reporting Penalties

A reporting entity that fails to comply with Section 6055 and Section 6056 reporting requirements may be subject to the general reporting penalties for failing to file correct information returns (under Code Section 6721) and failure to furnish correct payee statements (under Code Section 6722). Penalties may be waived if the failure is due to reasonable cause and not willful neglect.

### Adjusted Penalty Amounts

For 2024 information returns and individual statements that are filed and furnished in 2025, the adjusted penalty amounts are as follows:

1. The penalty for failure to file an information return or provide an individual statement is **\$330** per return or statement (increased from \$310);
2. The penalty for returns that are corrected within 30 days after the due date and statements corrected within 30 days after the required furnishing date **remains at \$60** per return or statement;
3. The penalty is **\$130** (up from \$120) per return or statement corrected after 30 days but before Aug. 1, 2025; and
4. The penalty for failing to file a correct information return or provide a statement due to intentional disregard is **\$660** (up from \$630). In some cases, this penalty may be larger, as the penalty is equal to the greater of either the applicable amount or 10% of the aggregate amount of the items required to be reported correctly.

The maximum penalty amounts are different for small businesses and large businesses. Specifically, lower annual maximums apply to entities with average annual gross receipts of up to \$5 million for the three most recent taxable years. There is no maximum penalty for intentional disregard.