



DOR NewsRelease

Commonwealth of Massachusetts

Department of Revenue

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New interactive video on DOR website guides taxpayers through the process of filling out Schedule HC

Also on DOR website is an affordability calculator to help determine status and tax obligations



As part of its ongoing effort to educate the taxpaying public on the requirements of complying with the state's new health insurance law, the Massachusetts Department of Revenue has developed a new interactive virtual tour to guide taxpayers through the process of filling out the new Schedule HC (Health Care).

For the estimated 95 percent of tax filers who have health insurance, filling out Schedule HC will require writing down the taxpayer's health insurer and subscriber identification number from the Form 1099-HC that will be mailed to taxpayers by January 31. Those with health insurance who do not receive a Form 1099-HC should simply transcribe the relevant information on their health insurance card onto Schedule HC.

Created in-house by DOR employees, the new virtual tour on DOR's website is designed to give taxpayers guidance in completing Schedule HC based on their particular health care circumstances. A link to the tour appears on the DOR homepage at www.mass.gov/dor. To run the virtual tour on a PC, taxpayers must have the most recent version of Adobe Flash Player available as a free download from the Adobe website.

As a result of the state's new health care reform law, most Massachusetts residents 18 and older are required to have health insurance if it is affordable for them. Those who did not have health insurance by Dec. 31, 2007 may lose their personal exemption worth \$219 for an individual in tax year 2007. The penalty increases to as much as \$76 a month or \$912 for all of tax year 2008.

In order to implement the health care reform law, the DOR has created Schedule HC for taxpayers to report whether or not they had health insurance, and if not, to determine if they are eligible for an exemption to the penalty based on religious conviction or an inability to afford health insurance. Schedule HC must be completed by all taxpayers 18 and older who were either full-year residents of Massachusetts or part-year residents who moved into Massachusetts on or before October 30, 2007, and were part-year residents as of Dec. 31, 2007.

Also on the DOR website is a Health Care Affordability Calculator developed to assist those without health insurance to determine quickly their affordability status and resulting penalty, if any. The calculator may be used by those without health insurance to determine whether or not they could have afforded coverage. Taxpayers without health insurance who could have afforded coverage according to state guidelines can also appeal potential tax penalties in light of their individual circumstances by filling out and filing new Schedule HC-A.

To review questions and answers and tax forms related to health insurance, as well as where to go to find additional information on health insurance options, click on:

http://www.mass.gov/?pageID=dorterminal&L=3&L0=Home&L1=Individuals+and+Families&L2=Personal+Income+Tax&sid=Ador&b=terminalcontent&f=dor_healthcare_healthcare&csid=Ador.