

## CATBERT: EVIL DIRECTOR OF HUMAN RESOURCES



Beginning in January of next year, reporting requirements to the Internal Revenue Service will be expanded to include “Health Care.” Like it or not, this is going to happen. Within that reporting, there are a number of dichotomies. As you begin to work your way through this puzzle, we believe you will find it helpful if you structure your thinking around the following four concepts:

Reporting on Bargaining-unit personnel vs. Reporting on Office Personnel

Information Provided by the Multi-employer Health Plan  
vs. Information Provided by your Company

Reporting to the Employee vs. Reporting to Government

Large Employer vs. Small Employer



Keep in mind that NECA members represent a broad cross-section of the industry from very small 1-2 person shops to some of the largest electrical contractors in the United States. The sophistication of the payroll departments varies accordingly. We put this information forward now, so that you have an idea of what will be expected of you, and if you have not already done so, to start thinking about how you will capture the information required—information that you have not had to provide in the past.

Between now and the end of the year, expect to hear from the various NECA Chapters and Health funds you participate in (the Local Union areas where you have jobs) and save any information they provide. We have attached a letter from [Benesys](#), the Health and Welfare Trust administrator for the electricians of Local 302 (Inside Agreement). Because of our health plan rules for eligibility, you will have no idea whether or not an individual electrician has coverage for any given month even though you may have made required contributions. For this reason, Benesys and other administrators for NECA/IBEW health plans will be mailing our plan participants the 1095-B form with the information required for the participants to file their taxes for 2015. They will also file a 1094-B form showing summary coverage information for the plan and will be providing a list of the covered participants and dependents.

## Penalties Double for Faulty ACA Reporting

The penalties for noncompliant ACA information reporting sharply increased due to the Trade Preferences Extension Act of 2015. The Act increased the IRS general information reporting penalty provisions under Internal Revenue Code Section 6721 (failure to file correct information returns) and Section 6722 (failure to furnish correct employee statement) effective for returns and employee statements required to be filed after December 31, 2015. This includes ACA reporting on Forms 1094-B, 1095-B, 1094-C and 1095-C for 2015 calendar year coverage due in the first quarter of 2016.

The intentional disregard penalty increased to \$500 per return, and there is no cap. Intentionally incorrect information with respect to one employee could result in a penalty of \$500 for both the Form 1095-C filed with the IRS and the Form 1095-C provided to the employee, for a total of \$1,000 for that one employee. A noncompliant employer with 100 full-time employees could face a fine between \$50,000 and \$100,000.



## Penalties Imposed for Incorrect, Incomplete or Untimely Information Returns

The penalty for failure to file a correct information return or correct employee statement increased from \$100 to \$250 per return/statement with a cap of \$3 million, up from \$1.5 million. The penalties are per return or statement. It's striking that there are two possible penalties for a single employee. If the failure relates to both an information return and a payee statement, the penalties are doubled (i.e., to \$500 per statement and a \$6 million cap). Even with very low error rates, large filers can easily reach the penalty cap.

## Good Faith Compliance Relief

Section 6721 and Section 6722 penalty relief is available for incomplete or incorrect returns filed or statements furnished to employees in 2016. The IRS is looking for a good faith compliance effort from reporting entities and ALE members. The IRS is not expected to apply the now-increased fines for inaccuracies, provided the employer tried its best to comply with the information reporting requirements. You can expect to be penalized for failing to timely file a return or furnish a statement. The reasonable cause exemption under Section 6724 remains available.

## Reporting Deadlines

For 2015 calendar year coverage:

- File information returns with the IRS by February 28, 2016 (or by March 31, 2016, if filed electronically).
- Furnish statements to full-time employees/responsible individuals by February 1, 2016 (January 31, 2016 being a Sunday).
- If you are unable to meet these deadlines, request extensions of time to file information returns or furnish statements. See further details in the 2015 draft instructions for Forms 1094-B and 1095-B and Forms 1094-C and 1095-C.

## Concluding Reminders

Continue following your procedure to collect 2015 calendar year coverage data.

Work closely with your reporting vendor or in-house team.

Confirm vendor software is tested with the IRS.

Timely submit returns to the IRS and furnish statements to employees.

Try your best to be complete and accurate.

**webinar**

As luck would have it, just as we were composing this newsletter, we received a memo from our National Office covering this very topic in much more detail ([click here](#)). Note that for those of you that use the CW/CE MOU, the NECA/IBEW Family Health Plan will provide the same information for that agreement (1094-B and 1095-B) as Benesys will for our Inside Agreement. Our National Office will also be sponsoring a free Webinar on this subject on Tuesday, September 8th (the day after Labor Day) from 12:00 noon to 1:30 p.m. pacific time.



# Affordable Care Act Reporting

## About the Program

Join Tiffany Downs and Brian Spring as they discuss what employers who contribute to multiemployer plans need to know about Affordable Care Act reporting under Code Sections 6055 and 6056.

## Topics will include:

1. Overview of the reporting requirements, including who is responsible for reporting under Code Sections 6055 and 6056;
2. Forms 1094-C and 1095-C;
3. What information contributing employers need to comply with the reporting requirements; and
4. Completion of Form 1095-C.

**REGISTER NOW**

If you are unable to attend the live webinar, a complimentary recording of the webinar will be made available.

# Annual Meeting of the Contra Costa County Electrical Industry Trust



The Annual Meeting of the Contra Costa County Electrical Industry Trust will be held at Ruth's Chris Steak House, in Walnut Creek, Thursday, September 17, 2015 @ 6:00 p.m. Our September NECA Chapter Membership Meeting will be held in conjunction with the Annual Meeting, and is open to all signatory contractors.

Each year the Board of Trustees report on the progress of the Electrical Industry Trust and the other Trust funds that are included in the hourly contribution rate, which include the Joint Apprenticeship and Training Committee, our local LMCC, and our Statewide LMCC.

The Electrical Industry Trust will also be holding an election during this meeting to fill two Trustee positions. Candidates must be a representative of a Contra Costa-based firm that makes contributions on a regular basis to the various Trust funds under the Inside Wireman's Agreement. If interested, please contact the NECA office to get the proper nomination form and procedures.

Please make an effort to attend this meeting so you can catch up on anything you may have missed over the summer.



*NECA San Francisco 2015*

<http://www.necaconvention.org/>



**NECA**  
OCT. 3-6, 2015  
SAN FRANCISCO



# **Advanced Estimating of Electrical Construction**

**Dates:** Wednesday & Thursday, November 4-5, 2015  
**Time:** 8:30a.m.– 4:30p.m.  
**Location:** NorCal NECA Office, 6300 Village Pkwy, 2nd Floor, Dublin  
**Instructor:** Bob Mooty  
**Cost:** NECA Members \$565, Non-Members \$815  
**Target:** Individuals with a firm grasp of basic estimating principles and experience preparing bids  
**Pre. Req:** Basic Estimating of Electrical Construction  
**Duration:** Two Days

## **COURSE DESCRIPTION:**

Developed to discuss all phases of the estimating process, this course covers all phases of preparing a competitive bid. Key topics include identifying desirable bid opportunities, analyzing the company's capabilities to insure profitable results, the estimator's role at various stages of the project, writing an effective scope letter, and identifying often hidden costs in the bid documents.

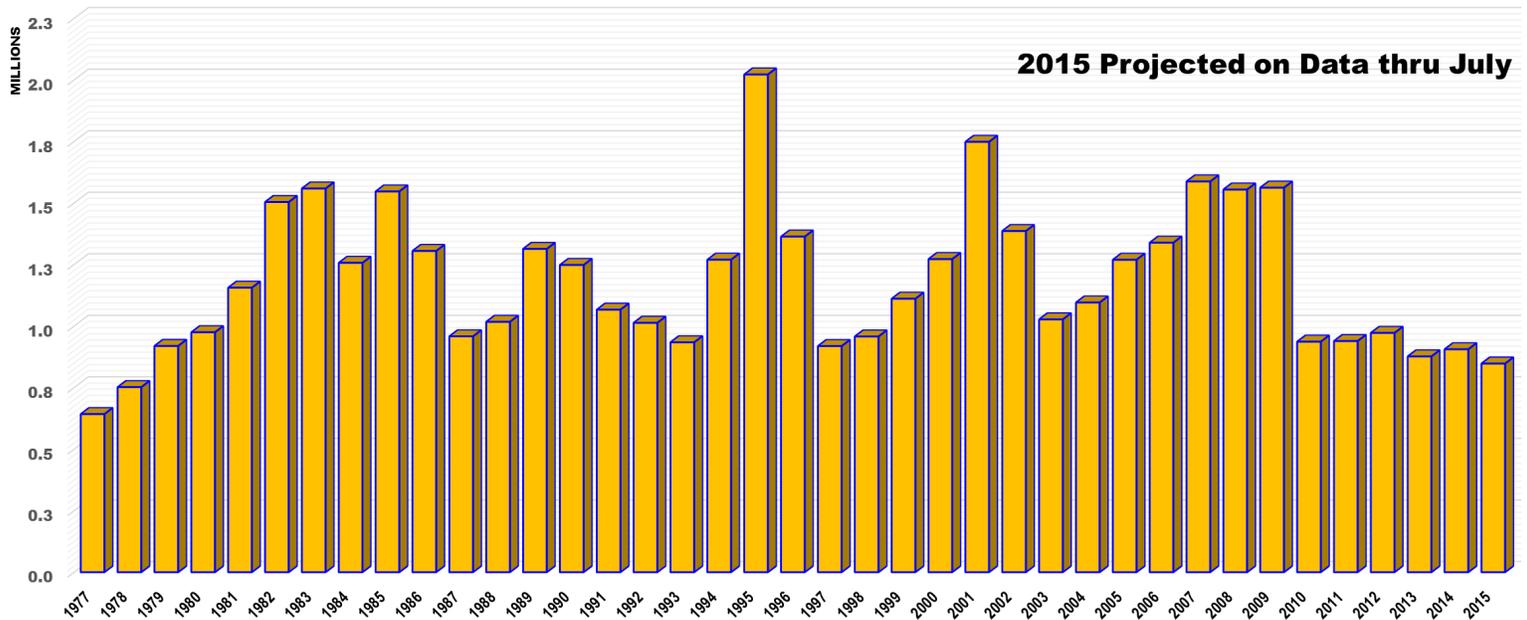
Following this class, participants will be able to:

- Discuss the steps necessary to prepare a competitive bid
- Identify the most desirable bid opportunities
- Describe how a company's capabilities can be analyzed to insure profits
- Discuss cash flow and bonding
- Discuss relevant contract terms
- Identify price adjustment techniques, overhead, and profit
- List the documents required to estimate a construction project

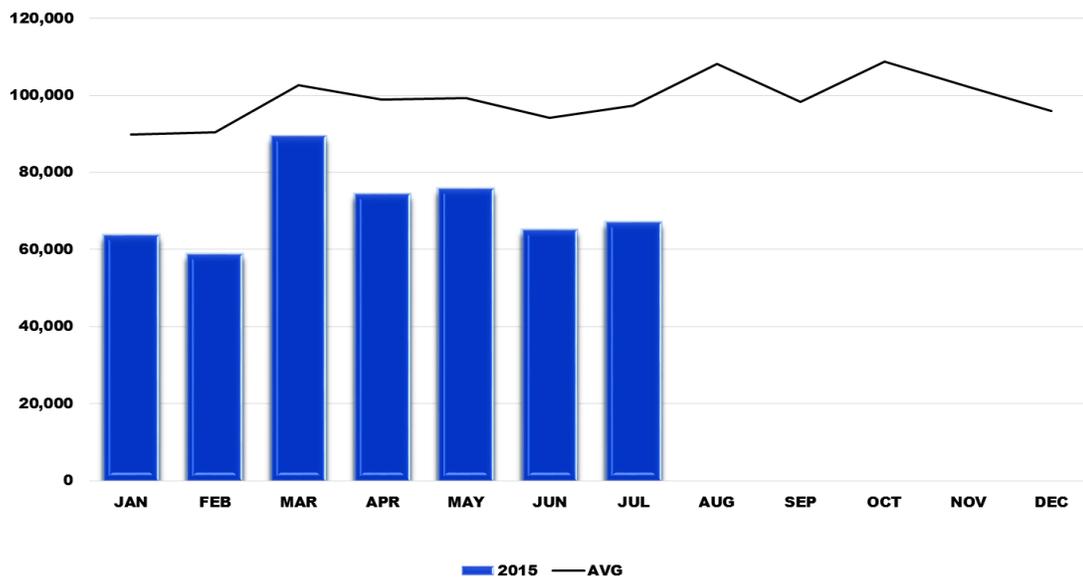
**Participants who complete this course will be awarded 12  
Continued Education Hours.**

**If interested in attending this workshop, contact Juanita Mitchell via email  
@ [Juanitas@norcalneca.org](mailto:Juanitas@norcalneca.org).**

# Construction Manhours For IBEW Local 302 Electricians



## 2015 Compared with Historic Average

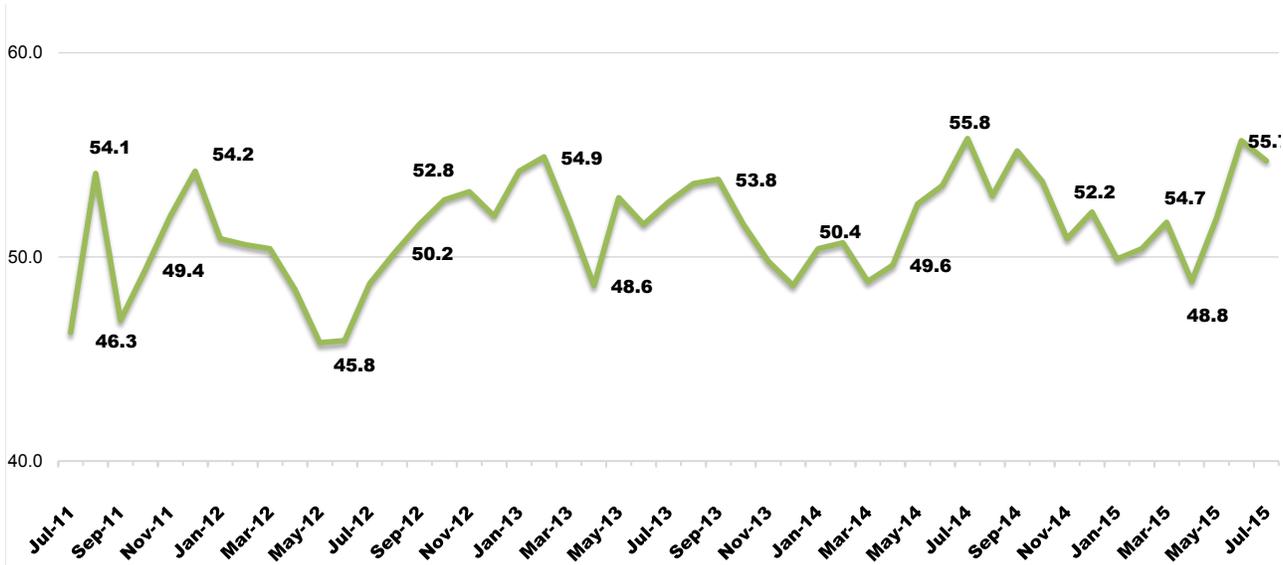


# Architect Firm Billings Continued To Rise in July

For the second consecutive month all regions of the country reported increases ... [read more.](#)

## July ABI 54.7

Any score above 50 indicates an increase and score below indicates a decline.



Pat Morgan Electric Company in Oakley is our newest Chapter member.



### SYNERGY eLinks

[NECA 2015 SAN FRANCISCO BROCHURE](#)

[NECA CONVENTION WEBSITE](#)

[PG&E PROPOSES FAR REACHING CHANGES FOR SOLAR POWER](#)

[NECA STORE](#)

[HOLIDAY MATRIX](#)

[COMPANY OWNER, PROJECT MANAGER GET 2 YEARS FOR LABORER'S DEATH](#)

*Affordable  
Care Act  
Links*

[UNDERSTANDING EMPLOYER REPORTING REQUIREMENTS OF THE HEALTH CARE LAW](#)  
[COMPLIANCE ASSISTANCE FROM BENESYS](#)  
[ACA RELATED FORMS](#)  
[IRS PRELIMINARY GUIDANCE ON CADILLAC TAX REQUIREMENTS](#)  
[MEMO FROM NECA REGARDING ACA](#)

# HAPPY LABOR DAY

*September 2015*



Sun	Mon	Tue	Wed	Thur	Fri	Sat
		<b>1</b> <b>LMCC</b> Training Center Martinez 5:30 p.m.	2	3	<b>4</b> <b>Off-Day</b>	5
6		8	9	10	11	12
13	14	15	16	<b>17</b> <b>ANNUAL</b> <b>INDUSTRY TRUST</b> Ruth's Chris Walnut Creek 6:00 p.m. <b>NECA Board</b> 4:30 p.m.	18	19
20	21	22	<b>23</b> <b>HEALTH &amp;</b> <b>WELFARE TRUST</b> Training Center 1:00 p.m.  <i>Subject to Change</i>	<b>24</b> <b>JATT</b> Training Center 3:00 p.m.	25	26
27	28	29	30	27	28	29
30	31					

*An electrician is a bright spark who knows what's watt.*



**CONTRA COSTA CHAPTER**  
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 (925) 372-3222  
[www.ccneca.org](http://www.ccneca.org)