



December 12, 2018

The Honorable David J. Kautter
Acting Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20044

RE: REG-118826-16, submitted electronically via www.regulations.gov

Dear Mr. Kautter,

I am writing on behalf of the National Association of Health Underwriters (NAHU), a professional association representing more than 100,000 licensed health insurance agents, brokers, general agents, consultants, and employee benefits specialists. NAHU wishes to voice its support for the proposed rule released by your agency on October 17, 2018, titled "De Minimis Error Safe Harbor Exceptions to Penalties for Failure to File Correct Information Returns or Furnish Correct Payee Statements."

Over the past several years, NAHU members have helped businesses nationwide prepare for and implement the employer shared responsibility requirements outlined in IRC § 4980H. Many of these same businesses also offer their employees self-funded health insurance coverage governed by IRC §105(h) and therefore are also considered to be issuers of health insurance coverage. As a result, our membership spends a considerable amount of time helping employers meet their related IRC §§ 6055 and 6056 information reporting obligations. As such, we truly appreciate the opportunity to comment in support of the proposed IRC §§ 6721 and 6722 penalty safe harbor for employers that make *de minimus* errors on information returns and payee statements.

The IRC §§ 6055 and 6056 information reporting requirements remain confusing and administratively burdensome for many employers, and the data entry involved makes them prone to unintentional errors. Employers are trying to follow these requirements to the best of their abilities, so NAHU is supportive of any relief designed to make the reporting process more straightforward and more forgiving of unintentional mistakes. The proposed safe harbor pairs well with the good-faith compliance relief recently extended to employers and issuers for 2018 tax year §§ 6055 and 6056 information reporting requirements. NAHU appreciates your agency's steps to treat any information return or payee statement that includes one or more *de minimus* errors in a dollar amount appearing on the information return or payee statement as correct for penalty purposes.

We sincerely appreciate the opportunity to voice our support of the proposed rule. If you have any questions about our comments, or if NAHU can be of assistance as you move forward, please do not hesitate to contact me at either (202) 595-0787 or jtrautwein@nahu.org.

Sincerely,

A handwritten signature in black ink that reads "Janet Trautwein". The signature is fluid and cursive.

Janet Stokes Trautwein
Executive Vice President and CEO
National Association of Health Underwriters