



ACA/FAMILY MEDICAID 200-1

ACA Filing Unit

Supersedes: New

Reference: 42 CFR 435.603(f)

Overview: ACA filing units are based on IRS tax code, and must be created for each applicant. Filing units are determined by answering the following questions.

Step 1:

1. Does the individual plan to file current calendar year taxes?
 - a. If not, continue to Step 2
 - b. If yes, do they expect someone to claim them as a tax dependent?
 - i. If not, filing unit is based on taxpayer's household, including their spouse (if living with them) and everyone they plan to claim as a dependent.
 - ii. If yes, continue to Step 2

Step 2:

1. Does the individual expect to be claimed as a tax dependent?
 - a. If no – continue to step 3
 - b. If yes, do they meet one of the following exceptions?
 - i. They expect to be claimed as a tax dependent by someone other than their biological, adoptive or step parent;
 - ii. They are a child under age 19 and:
 1. are living with both parents, but parents don't plan to file jointly;
 2. expect their non-custodial parent to claim them as a dependent.
 - a. If not, base the filing unit on the household of the taxpayer who is claiming them as a dependent.
 - i. Are they married? If yes, include their spouse in the filing unit.
 - b. If yes, continue to Step 3

Step 3:

For those who:

- don't plan to file a tax return (non-filer) and don't expect to be claimed as a dependent; and
- are tax dependents who meet an exemption in Step 2, b.

The filing unit consists of the individual, and the following, if living in the same home:

- a) their spouse;
- b) their natural, adoptive and step children under age 19; and
- c) For those under age 19 their natural, adoptive and step:
 - a. parents and
 - b. siblings under age 19.

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