

Financial institutions will release two tax forms related to HSAs. These two forms are required on an annual basis. Form 1099-SA provides a summary of distributions (withdrawals) out of the HSA and Form 5498-SA will provide a summary of the contributions (deposits) that have been made by both the employer and employee.

All HSA accountholders will need to complete IRS Form 8889 when completing their tax return. This form can be obtained from the IRS website (www.irs.gov/) or from your tax consultant. In order to fill out this form accurately, you will need Form W-2, Form 1099-SA and Form 5498-SA.

Form 1099-SA and Form 5498-SA will be distributed separately from your W-2. Typically, the financial institution will send Form 1099-SA during the month of January and Form 5498-SA will be sent after April 15, 2014. The reason for the difference in timing is due to IRS regulations allowing HSA contributions to be made until April 15 for the previous calendar year.

Employees that wish to complete their tax return without requesting an extension may want to contact their tax professional to discuss reporting the amount listed in Box 12 of Form W-2 labeled "Employer Contributions". The amount listed is a combination of employer and employee contributions made via payroll to the HSA for the calendar year. The employee contributions shown in Box 12 reflect payroll deductions for that employer only. If this is acceptable, per the advice of a licensed accountant, then individuals may be able to file their return without waiting to receive Form 5498-SA.

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