

HSA Employer News!

February 2012

2011 Tax Information for Health Savings Accounts

Your employees may be asking about 2011 tax information for their Health Savings Accounts (HSAs). As your HSA custodian, we want to do what we can to help you address their questions.

We encourage your employees to visit our Web site for details on a variety of HSA topics, especially our 2011 Tax Information page in the "HSA Resources" section. Employees have 24/7 account access with the login credentials we have provided them, and they will find numerous resources and tools to help manage their HSAs.

Below are some tips to help guide employees' inquiries about what they may expect from you, as their employer, the bank and the IRS.

Forms Needed for the 2011 Tax Season

Your employees' HSA contribution and distribution totals are available on:

- Our Web site, on their "My HSA Snapshot" page (login required)
- Our Automated Telephone System

Your employees may also find their HSA contribution and distribution totals on:

- **IRS Form 1099-SA**, reflecting the **amount distributed** from the HSA in 2011; The Bancorp Bank mailed it directly to your employees in January
- **IRS Form 5498-SA**, reflecting the **contributions credited** to the HSA for 2011; The Bancorp Bank will mail it directly to your employees by May 31 (not needed for tax-filing purposes)

Your employees will need the following forms to file their income taxes with the IRS:

- **IRS Form 1040** or **Form 1040NR**
- **IRS Form 8889** (available for download at www.irs.gov)

As their employer, you should have provided employees by January 31:

- **Form W-2**

If you or your employees need assistance understanding the tax forms, visit our Web site and navigate to "HSA Resources > 2011 Tax Information for Health Savings Accounts" (you do not need to log in to access this section of our site). There, you will find more detailed information and samples of tax forms with explanatory notes, as well as tips for managing HSA contributions.

Reminders

FSA/HRA to HSA Rollovers

Effective January 1, 2012, the IRS no longer allows rollovers from a Flexible Spending Account (FSA) and/or Health Reimbursement Account (HRA) to an HSA.

2011 HSA Contributions Made in 2012

HSA contributions for **2011** that are being sent to The Bancorp Bank between January 1, 2012 and April 17, 2012, must include the word "PRIOR" in the file name, if the employee intends to allocate those funds to the 2011 tax year.

If you or your employees have questions regarding the 2011 or 2012 HSA tax year, please call our Customer Service line, available to you 24 hours a day, 7 days a week.