

The Internal Revenue Service (IRS) indicates that individuals must file Form 8889 if they (or someone on their behalf, including their employer) made contributions to their HSA . Form 8889 must also be filed if individuals take funds out of an HSA, even if they do not make a contribution to the HSA that year.

While GVSU cannot provide tax advice, we can provide some information concerning the W-2 you received for payroll deductions and how it applies to Form 8889. If you need additional tax advice or have additional questions, please consult a qualified tax advisor, your software provider or the IRS at <http://www.irs.gov/> or call the IRS at 800-829-1040.

If you had GVSU payroll deductions in 2012 directed to your United Bank HSA, you must file Form 8889 with your IRS 1040 for 2012. Form 8889 can be found at: <http://www.irs.gov/pub/irs-pdf/f8889.pdf> The 2012 instructions for Form 8889 can also be found at: <http://www.irs.gov/pub/irs-pdf/i8889.pdf>

Form 8889 Part I

Your payroll deductions for the HSA will be shown on your W-2 in Box 12, marked code "W". Because your payroll deductions were taken pre-tax and are part of a cafeteria plan, they are considered "employer contributions" by the IRS and are to be entered on line 9 of Form 8889. Do not enter GVSU payroll deducted contributions on line 2. Since payroll deductions for the HSA were already taken throughout the year as pre-tax, you will not be able to claim a deduction for them on line 13.

Note: If you made after-tax contributions to an HSA (not through payroll deductions) you may be able to claim a deduction. See the Form 8889 instructions, lines 2 and 13, for additional information.

Form 8889 Part II

If you took funds out of your HSA, to cover your deductible or other expenses, you will receive a Form 1099-SA reporting the distribution of funds from your HSA from United Bank. These distributions from your HSA will be entered on line 14a of Form 8889. Unless you made distributions from your HSA for ineligible expenses the unreimbursed qualified medical expenses entered on line 15 of Form 8889 should match the amount entered in line 14a. Pages 1 and 6 of the IRS instructions explain what may be included as an unreimbursed qualified medical expense.

Form 8889 Part III

Unless you elected to transfer funds from a traditional IRA into your HSA, this section will not apply to your GVSU HSA.

Form 8889 Sample Information Facts for Example Below:

- Faculty/staff member under age 55 with family (or dual) coverage under the GVSU HDHP for the whole year.
- Had \$125 deducted each payroll for the HSA (\$3,000), plus the GVSU contribution of \$1,300 (for a total of \$4,300 reported in box 12 of the W-2).
- A total of \$3,400 was withdrawn from the United Bank HSA (per Form 1099-SA) and the \$3,400 is for unreimbursed qualified medical expenses (the medical expenses you paid for out of your United Bank account).

Health Savings Accounts (HSAs)

► Information about Form 8889 and its separate instructions is available at www.irs.gov/form8889.
► Attach to Form 1040 or Form 1040NR.

Name(s) shown on Form 1040 or Form 1040NR

Social security number of HSA
beneficiary. If both spouses have
HSAs, see instructions ►**Before you begin:** Complete Form 8853, Archer MSAs and Long-Term Care Insurance Contracts, if required.**Part I HSA Contributions and Deduction.** See the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part I for each spouse.

1	Check the box to indicate your coverage under a high-deductible health plan (HDHP) during 2012 (see instructions).	<input type="checkbox"/> Self-only	<input checked="" type="checkbox"/> Family
2	HSA contributions you made for 2012 (or those made on your behalf), including those made from January 1, 2013, through April 15, 2013, that were for 2012. Do not include employer contributions, contributions through a cafeteria plan, or rollovers (see instructions).	2	
3	If you were under age 55 at the end of 2012, and on the first day of every month during 2012, you were, or were considered, an eligible individual with the same coverage, enter \$3,100 (\$6,250 for family coverage). All others , see the instructions for the amount to enter.	3	6250
4	Enter the amount you and your employer contributed to your Archer MSAs for 2012 from Form 8853, lines 1 and 2. If you or your spouse had family coverage under an HDHP at any time during 2012, also include any amount contributed to your spouse's Archer MSAs.	4	
5	Subtract line 4 from line 3. If zero or less, enter -0-	5	6250
6	Enter the amount from line 5. But if you and your spouse each have separate HSAs and had family coverage under an HDHP at any time during 2012, see the instructions for the amount to enter.	6	6250
7	If you were age 55 or older at the end of 2012, married, and you or your spouse had family coverage under an HDHP at any time during 2012, enter your additional contribution amount (see instructions).	7	
8	Add lines 6 and 7.	8	6250
9	Employer contributions made to your HSAs for 2012.	9	4300
10	Qualified HSA funding distributions.	10	
11	Add lines 9 and 10.	11	4300
12	Subtract line 11 from line 8. If zero or less, enter -0-	12	1950
13	HSA deduction. Enter the smaller of line 2 or line 12 here and on Form 1040, line 25, or Form 1040NR, line 25.	13	0

Caution: If line 2 is more than line 13, you may have to pay an additional tax (see instructions).

Part II HSA Distributions. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part II for each spouse.

14a	Total distributions you received in 2012 from all HSAs (see instructions).	14a	3400
b	Distributions included on line 14a that you rolled over to another HSA. Also include any excess contributions (and the earnings on those excess contributions) included on line 14a that were withdrawn by the due date of your return (see instructions).	14b	0
c	Subtract line 14b from line 14a.	14c	3400
15	Unreimbursed qualified medical expenses (see instructions).	15	3400
16	Taxable HSA distributions. Subtract line 15 from line 14c. If zero or less, enter -0-. Also, include this amount in the total on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to line 21, enter "HSA" and the amount.	16	0
17a	If any of the distributions included on line 16 meet any of the Exceptions to the Additional 20% Tax (see instructions), check here <input type="checkbox"/>		
b	Additional 20% tax (see instructions). Enter 20% (.20) of the distributions included on line 16 that are subject to the additional 20% tax. Also include this amount in the total on Form 1040, line 60, or Form 1040NR, line 59. On the dotted line next to Form 1040, line 60, or Form 1040NR, line 59, enter "HSA" and the amount.	17b	

Part III **Income and Additional Tax for Failure To Maintain HDHP Coverage.** See the instructions before completing this part. If you are filing jointly and both you and your spouse each have separate HSAs, complete a separate Part III for each spouse.

18	Last-month rule	18		
19	Qualified HSA funding distribution	19		
20	Total income. Add lines 18 and 19. Include this amount on Form 1040, line 21, or Form 1040NR, line 21. On the dotted line next to Form 1040, line 21, or Form 1040NR, line 21, enter "HSA" and the amount	20		
21	Additional tax. Multiply line 20 by 10% (.10). Include this amount in the total on Form 1040, line 60, or Form 1040NR, line 59. On the dotted line next to Form 1040, line 60, or Form 1040NR, line 59, enter "HDHP" and the amount	21		