

## TAX FORM

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## Health Savings Account Tax Form 1099-SA: Frequently Asked Questions

As an HSA Accountholder, every year you may receive two forms from JPMorgan Chase Bank ("Chase", the custodian or sub-custodian for your HSA) for tax information and reporting purposes:



### Distributions: Form 1099-SA (the enclosed form)

- Includes all funds **spent from your HSA**
- Mailed in January
- Used to report distributions on IRS Form 8889

Please note: Graphic images are for illustrative purposes only.

### Contributions: Form 5498-SA

- Includes all funds **deposited to your HSA**
- Mailed in May
- Use your **Year-End statement** or access the **YTD Tax Year Summary** link under the Transactions tab to complete Form 8889 when filing your Federal tax return (available on the HSA website)

### Why did I receive Form 1099-SA?

The IRS requires Chase to issue Form 1099-SA if you made a distribution from your HSA during 2013. We will also send this information to the IRS. You can find your tax statements on-line. Log in to your HSA and select the Statements tab.

### Do I have to report information on Form 1099-SA on my federal income tax return?

Yes. You must report distributions from your HSA on IRS Form 8889. You must file this form with your annual income tax return. Please speak with your tax advisor if you need help with this form. Links to forms and other external websites that support the tax filing process are available in the Tools and Resources section of the HSA site.

### What additional information will I need to file my taxes?

You will need to include all your contributions made for or during the previous tax year. This information is always available on-line under Transactions Tab within the **YTD Tax Year Summary** link. This information will be sent to you in Form 5498-SA in May allowing any contributions made in 2014 for 2013 to be included.

### Are HSA distributions taxable?\*

Distributions made for qualified medical expenses are not taxable. Examples of qualified medical expenses include doctors' fees, prescription medicines and hospital services not paid for by insurance. These can be for you, your spouse and your tax dependents.

Distributions made for non-qualified medical expenses are generally taxable. They may also be subject to an additional tax of 20%. If you were disabled or age 65 or older at the time of the distribution, then you would not have to pay the tax penalty. You would still have to pay income taxes.

Note: You can find additional information about qualified medical expenses in IRS Publication 969, which is available by logging into your HSA account and navigating to the Tools and Resources page, or at [www.irs.gov](http://www.irs.gov).

### What medical receipts and records should I keep?

You should keep all receipts and records for qualified medical expenses paid with your HSA funds. Keep these for your own records. You do not need to send them to Chase.

### Why do I need to keep receipts and records?

You should keep receipts and records in case the IRS requests to review them. The IRS may ask you for proof that you used your HSA funds to pay for qualified

medical expenses. You can scan and upload your receipts for safekeeping online through the Healthcare Spending Manager.

### What is included in Box 1?

Box 1 of the 1099-SA reports the total distributions made from your HSA in 2013. Distributions include any purchase or withdrawal using HSA funds. It also includes cash withdrawals at ATMs. If any excess contributions and associated earnings were distributed, they are also included.

### What is the distribution code?

The distribution code represents the particular type of distribution made from the HSA. The most common distribution code is "1". This is a normal distribution. A normal distribution means that the funds were withdrawn with the debit card, checks or on-line bill payment. Other codes are for specific types of distributions. These would include a distribution for an excess contribution or a distribution to a beneficiary in the event of a death or disability. A complete list is in the bottom half of your Form 1099-SA.

### What is included in Box 2?

Box 2 of Form 1099-SA reports any earnings on excess contributions. This box includes any excess contributions you withdrew from your account. Also included are interest or investment earnings that are attributable to the funds that were withdrawn.

### Where can I get more tax information about my HSA?

You may log in to your HSA and view your tax statements by navigating to the Statements tab and selecting Tax Statements. In addition, links to forms and other external websites are available in the Tools and Resources section of the site.

### I don't see my full Social Security number, how will the IRS identify my information?

For your protection, this form may show only the last four digits of your social security number (SSN), individual taxpayer identification number (TIN), or adoption taxpayer identification number (ATIN). However, Chase has reported your complete identification number to the IRS and, where applicable, to state and/or local governments.

*If you have additional questions about your HSA distributions, contact HSA Customer Service at 1-866-524-2483. This tax statement is also available online through the secure HSA website.*

For more information on qualified medical expenses, you can refer to IRS Publication 502 "Medical and Dental Expenses" or IRS Publication 969 "Health Savings Accounts and Other Tax-Favored Health Plans." For tax filing, you may also be required to complete IRS Form 8889, which is also available online by logging into your HSA account and selecting the Tools and Resources page, or on the IRS website, [www.irs.gov](http://www.irs.gov). Please consult your tax advisor or call the IRS help line at 1-800-Tax-1040 (1-800-829-1040) for assistance.

\*State rules vary and you should check the tax return instructions provided by your state to determine the appropriate state and local tax treatment of HSA distributions.

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