

**From:** Stokes, Richard L  
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**Subject:** Healthcare Reform and W-2's

I was able to find an article on Form W-2 for Health Care Reform Reporting (<http://www.irs.gov/uac/Form-W-2-Reporting-of-Employer-Sponsored-Health-Coverage>). It provides that the employer is required to report the cost of coverage under the employer's group health plan. In general, the amount reported should include both the portion paid by the employer and the portion paid by the employee. A chart at the end of the report gives us some indication of what needs to be reported and what doesn't.

In addition, the regulations provides the following section, "SEC. 9002. INCLUSION OF COST OF EMPLOYER-SPONSORED 2 HEALTH COVERAGE ON W-2".

(a) IN GENERAL.—Section 6051(a) of the Internal Revenue Code of 1986 (relating to receipts for employees) is amended by striking "and" at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting ", and", and by adding after paragraph (13) the following new paragraph:

"(14) the aggregate cost (determined under rules similar to the rules of section 4980B(f)(4)) of applicable employer-sponsored coverage (as defined in section 4980I(d)(1)), except that this paragraph shall not apply to—

“(A) coverage to which paragraphs (11) and (12) apply, or

“(B) the amount of any salary reduction contributions to a flexible spending arrangement (within the meaning of section 125).”.

The IRS code only refers to it as the cost of employer sponsored health coverage with no other explanation.

I hope this information is helpful. Feel free to contact me if you have questions or I can be of any further assistance.

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