

Financial Services

A compliance health check on your HSA documents

Detailed changes from 2011 to today

2011

Health Savings Account Disclosure Statement

- Updated to the 2012 annual cost-of-living adjustment (COLA) limits.
- The 10 percent additional tax for distributions not used to pay for or reimburse qualified medical expenses was increased to 20 percent.

2012

The IRS updated **Forms 5305-B, Health Savings Trust Account** and **5305-C, Health Savings Custodial Account** as follows:

- **Article II.** The calendar years and corresponding contribution limits were updated.
- **Article VI.** The 10 percent additional tax for distributions not used to pay for or reimburse qualified medical expenses was increased to 20 percent.
- **Instructions**

What's New – This section was added for the additional tax increase for distributions not used to pay for or reimburse qualified medical expenses from 10% to 20%.

Purpose of Form – Updated references for where to find more information on HSAs.

High Deductible Health Plan (HDHP). The calendar years and corresponding plan limits were updated.

Health Savings Account Disclosure Statement

- Updated the *No Prohibited Transactions* section for the 10 percent additional tax for distributions not used to pay for or reimburse qualified medical expenses increasing to 20 percent.
- Updated to the 2013 annual cost-of-living adjustment (COLA) limits.
- Removed the *Health Reimbursement Arrangement (HRA)/Health Flexible Spending Account (FSA)-to-HSA Rollovers* section since the provision was only available through tax year 2011.

2013

Health Savings Account Disclosure Statement

- Updated to the 2014 annual cost-of-living adjustment (COLA) limits.
- Removed the *Federal Income Tax Withholding* section since federal income tax withholding is generally not applicable to HSA distributions.

HEALTH SAVINGS ACCOUNT HISTORICAL UPDATES

(Custodial—includes Self-Direction & Trust)

This document provides a detailed summary of compliance changes to Wolters Kluwer Health Savings Account documents.

2014

Health Savings Account Disclosure Statement

- Added the following sentence to the *Beneficiary Designation* section under *HSA Restrictions and Approval*: If there is no beneficiary designation on file at the time of your death, or if none of the beneficiaries on file are alive at the time of your death, your HSA assets will be paid to your estate.
- Updated to the 2015 annual cost-of-living adjustment (COLA) limits.
- Updated the *HSA-to-HSA Rollovers* and *Archer MSA-to-HSA Rollovers* sections to provide that rollovers between HSAs, and to HSAs, are limited to one per 1-year (12-month) period aggregated between all of an HSA owner's HSAs.

2015

Health Savings Account Disclosure Statement

- Updated to the 2016 annual cost-of-living adjustment (COLA) limits.

2016

Health Savings Account Disclosure Statement

- Updated to the 2017 annual cost-of-living adjustment (COLA) limits.

2017

The IRS updated Forms 5305-B, Health Savings Trust Account and 5305-C, Health Savings Custodial Account:

- **Article XI.** Added statement that the IRS has reviewed and approved Articles I through X. Added language clarifying that, generally, the singular means the plural and the plural means the singular.

Health Savings Account Disclosure Statement

- Updated to the 2018 annual cost-of-living adjustment (COLA) limits.
- Added statements that the IRS has reviewed and approved Articles I through X but not Article XI of the 5305-B or 5305-C, as appropriate.

2018 (March; family contribution limit updates)

Health Savings Account Disclosure Statement

- Updated to reflect changes to the Family HDHP Coverage contribution limits for 2018 tax year.

2018 (May; 2019 COLA updates)

Health Savings Account Disclosure Statement

- Updated to the 2019 annual cost-of-living adjustment (COLA) limits.

