

HEALTHQUITY CORPORATE  
15 WEST SCENIC POINTE DRIVE SUITE 400  
DRAPER, UT 84020

ANIL KUMAR KOLUSU      \*\*ND135461  
1115 VININGS PARKWAY, SE  
SMYRNA, GA 30080

CORRECTED (if checked)

TRUSTEE'S/PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number. <b>HEALTHQUITY CORPORATE 15 WEST SCENIC POINTE DRIVE SUITE 400 DRAPER, UT 84020</b>		OMB No. 1545-1517 <b>Form 1099-SA</b> (Rev. November 2019) For calendar year <b>2021</b>		<b>Distributions From an HSA, Archer MSA, or Medicare Advantage MSA</b>  <b>Copy B For Recipient</b>  This information is being furnished to the IRS.
PAYER'S TIN <b>52-2383166</b>	RECIPIENT'S TIN <b>***-**-3476</b>	<b>1</b> Gross distribution <b>\$ 617.02</b>	<b>2</b> Earnings on excess cont. <b>\$ 0.00</b>	
RECIPIENT'S name <b>ANIL KUMAR KOLUSU</b>		<b>3</b> Distribution code <b>1</b>	<b>4</b> FMV on date of death <b>\$ 0.00</b>	
Street address (including apt. no.) <b>1115 VININGS PARKWAY, SE</b>		<b>5</b> HSA <input checked="" type="checkbox"/> Archer MSA <input type="checkbox"/> MA MSA <input type="checkbox"/>		
City or town, state or province, country, and ZIP or foreign postal code <b>SMYRNA, GA 30080</b>				
Account number (see instructions) <b>22405099</b>				

Form **1099-SA** (Rev. 11-2019)

(keep for your records)

[www.irs.gov/Form1099SA](http://www.irs.gov/Form1099SA)

Department of the Treasury - Internal Revenue Service

### Instructions for Recipient

Distributions from a health savings account (HSA), Archer medical savings account (MSA), or Medicare Advantage (MA) MSA are reported to you on Form 1099-SA. File Form 8853 or Form 8889 with your Form 1040 or 1040-SR to report a distribution from these accounts even if the distribution isn't taxable. The payer isn't required to compute the taxable amount of any distribution.

An HSA or Archer MSA distribution isn't taxable if you used it to pay qualified medical expenses of the account holder or eligible family member or you rolled it over. An HSA may be rolled over to another HSA; an Archer MSA may be rolled over to another Archer MSA or an HSA. An MA MSA isn't taxable if you used it to pay qualified medical expenses of the account holder only. If you didn't use the distribution from an HSA, Archer MSA, or MA MSA to pay for qualified medical expenses, or in the case of an HSA or Archer MSA, you didn't roll it over, you must include the distribution in your income (see Form 8853 or Form 8889). Also, you may owe a penalty.

You may repay a mistaken distribution from an HSA no later than April 15 following the first year you knew or should have known the distribution was a mistake, providing the trustee allows the repayment.

For more information, see the Instructions for Form 8853 and the Instructions for Form 8889. Also see Pub. 969.

**Recipient's taxpayer identification number (TIN).** For your protection, this form may show only the last four digits of your TIN (SSN, ITIN, ATIN, or EIN). However, the issuer has reported your complete identification number to the IRS.

**Spouse beneficiary.** If you inherited an Archer MSA or MA MSA because of the death of your spouse, special rules apply. See the Instructions for Form 8853. If you inherited an HSA because of the death of your spouse, see the Instructions for Form 8889.

**Estate beneficiary.** If the HSA, Archer MSA, or MA MSA account holder dies and the estate is the beneficiary, the fair market value (FMV) of the account on the date of death is includible in the account holder's gross income. Report the amount on the account holder's final income tax return.

**Nonspouse beneficiary.** If you inherited the HSA, Archer MSA, or MA MSA from someone who wasn't your spouse, you must report as income on your tax return the FMV of the account as of the date of death. Report the FMV on your tax return for the year the account owner died even if you received the distribution from the account in a later year. See the Instructions for Form 8853 or the Instructions for Form 8889. Any earnings on the account after the date of death (box 1 minus box 4 of Form 1099-SA) are taxable. Include the earnings on the "Other income" line of your tax return.

**Account number.** May show an account or other unique number the payer assigned to distinguish your account.

**Box 1.** Shows the amount received this year. The amount may have been a direct payment to the medical service provider or distributed to you.

**Box 2.** Shows the earnings on any excess contributions you withdrew from an HSA or Archer MSA by the due date of your income tax return. If you withdrew the excess, plus any earnings, by the due date of your income tax return, you must include the earnings in your income in the year you received the distribution even if you used it to pay qualified medical expenses. This amount is included in box 1. Include the earnings on the "Other income" line of your tax return. An excise tax of 6% for each tax year is imposed on you for excess individual and employer contributions that remain in the account. See Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts.

**Box 3.** These codes identify the distribution you received: 1—Normal distribution; 2—Excess contributions; 3—Disability; 4—Death distribution other than code 6; 5—Prohibited transaction; 6—Death distribution after year of death to a nonspouse beneficiary.

**Box 4.** If the account holder died, shows the FMV of the account on the date of death.

**Box 5.** Shows the type of account that is reported on this Form 1099-SA.

**Future developments.** For the latest information about developments related to Form 1099-SA and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/Form1099SA](http://www.irs.gov/Form1099SA).

# HealthEquity's guide to HSA tax forms

## Form 1099-SA

HealthEquity will send you a Form 1099-SA if you had any distributions from your HSA in 2020. Enter the distributions<sup>1</sup> shown in Box 1 of Form 1099-SA on Line 14a of Form 8889.

## Form W-2

Box 12 of your W-2 shows your HSA contributions made by pre-tax payroll deduction, if applicable, and by your employer (labeled "employer contributions" and marked with code "W"). Enter the amount from Box 12 on your W-2 on line 9 on Form 8889.

- If your HSA payroll deductions were taken pre-tax, they're considered "employer contributions" and shown in Box 12 on your W-2. You cannot claim pre-tax payroll deductions as a deduction on line 13 on Form 8889.

If you made any after-tax contributions to your HSA in 2021, enter this amount on line 2 on Form 8889. Note: After-tax contributions will not appear on your W-2. You may be able to claim a deduction for these contributions on line 13. See instructions for Form 8889 for more information.

## Form 8889

File Form 8889 with your tax return to report your HSA contributions and distributions. Completing Form 8889 requires information from your 1099-SA and information from your W-2. Some of this information includes:

- Annual distributions
- Pre-tax contributions made by you or your employer

Your annual and/or monthly statements from HealthEquity will note contributions outside of pre-tax contributions through your employer and are available through your member portal. Find Form 8889 at [www.irs.gov/file\\_source/pub/irs-pdf/18889.pdf](http://www.irs.gov/file_source/pub/irs-pdf/18889.pdf).

## Form 5498-SA (used for informational purposes only)

Form 5498-SA reports regular and rollover contributions on health savings accounts (HSAs), Archer Medical Savings Accounts (MSAs), and Medicare Advantage MSAs (MA MSAs) as well as the fair market value of an HSA, Archer MSA, or MA MSA at the end of 2021.

- Form 5498-SA is for informational purposes only; you do not need to file it with your tax return.<sup>2</sup>

The W-2 you receive from your employer in January should match Form 5498-SA unless you made contributions outside of your employer or between January 1, 2022, and April 18, 2022, for the 2021 tax year. Note: After-tax contributions will not appear on your W-2, but will be reflected on Form 5498-SA.

<sup>1</sup>If you feel the values reflected on a tax form are incorrect, please contact HealthEquity to review the information. HealthEquity can only make changes for six months after the close of the applicable tax year. Fees may apply.

<sup>2</sup>HealthEquity doesn't provide medical or tax advice. Consult your tax adviser or the IRS with any questions on filing your tax return and any of the forms mentioned above.

Nothing in this communication is intended as legal, tax, financial or medical advice. Always consult a professional when making life changing decisions. It is the members' responsibility to ensure eligibility requirements as well as the expenses are tax qualified medical expenses.

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## FREQUENTLY ASKED QUESTIONS

### Can I still contribute for 2021?

Yes, you can make contributions through April 18, 2022, or the time you file your return, whichever comes first. The 2021 contribution limits are \$3,600 for individuals and \$7,200 families. If you're 55 or older, you can make an additional \$1,000 catch-up contribution. You cannot make contributions for the 2021 tax year after April 18, 2022.

### What if I contribute during January 1 and April 18, 2022 for the 2021 tax year?

If you make further contributions to your account for 2021 prior to the deadline on April 18, 2022, HealthEquity will issue you a corrected 5498-SA by May 31, 2022.

### What if I'm over the limit?

If you've contributed more than the contribution limit, you may be subject to a 6% IRS penalty and added tax liability. To avoid penalties and added taxes, submit an HSA Excess Contribution Removal Form (available on the HealthEquity member portal under 'Docs & Forms') to HealthEquity before you file your return.

### What if some of my expenses aren't qualified?

To avoid penalties or taxes, submit an HSA Mistaken Distribution Form with a check payable to HealthEquity for the amount of the distribution no later than April 18, 2022. Write your member ID and "2021 redeposit" on the memo line for faster processing.

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