

October 13, 2010

Plop Plop Fizz Fizz – Relief!

One of the mandates of the health care reform act required employers to report the cost of employer-sponsored group health plan coverage on each employee's Form W-2 starting in 2011. On Tuesday, October 12, 2010, the IRS announced that this new reporting requirement will not be mandatory for 2011. In granting this relief, the IRS has acknowledged that employers may need additional time to make changes to their payroll systems and procedures to properly comply with the reporting requirement. The IRS has also issued a draft Form W-2, which includes the codes that employers may use to report the cost of coverage. You can find a copy of the draft Form W-2 at www.hollandhart.com/articles/draftw2.pdf.

The IRS expects to publish guidance later this year on the new Form W-2 reporting requirements.

For assistance, or if you have questions about any other employee benefit matters, please contact a member of our Benefits Law Group.

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www.hollandhart.com/employeebenefits