



THE Pension Digest

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President Trump Issues An Executive Order Addressing Ways To Strengthen U.S. Retirement Security

It is now estimated there is 30.4 trillion comprising U.S. Retirement Plan Assets as follows:

- 27% (8.2 trillion) in IRAs;
- 18% in 401(k) plans and other defined contribution plans;
- 20% in state and local government plans;
- 13% in federal government plans;
- 12% in private insured plans and
- 10% in private defined benefit plans.

Much of the amount in IRAs arises from rollovers and direct rollovers into IRAs from 401(k) plans and the other retirement plans. Most taxpayers are not making annual IRA contributions. They could, but they choose not to.

Employees who work for large private employers or a governmental entity are generally covered by retirement plans and have the opportunity to save and invest for retirement. However, individuals who work for small employers (less than 100 employees) often do not participate in a retirement plan and do not have the same opportunity to save and invest for retirement. The Government Accountability Office has determined that only 14 percent of small businesses currently sponsor a retirement plan. However, many of these individuals who are unable to make contributions to a retirement plan are eligible to make an annual IRA contribution, but choose not to do so.

President Trump has recently issued an executive order so that new ideas may be tried to encourage small businesses to establish workplace retirement plans. The Trump administration has no discussion of what action can be taken so that more individuals will make annual IRA contributions. Higher interest rates would certainly help. Repealing the rules limiting the ability of many individuals to claim a tax deduction for their IRA contribution would also help. The Obama administration tried to encourage small employers with its myRA payroll deduction program to allow employees to make Roth IRA contributions. The program was not very successful.

Supposedly, many small employers believe the cost of establishing and maintaining a retirement plan is too expensive and too complex so they choose not to do it. The Trump administration is going to gather information whether it is good idea to allow small businesses and mid-sized businesses to form an association of employers so that various legal and administrative costs could be shared by a group of employers.

The Trump administration is stating it is going to review if the RMD rules should be modified. One must closely watch to see what action, if any, will be taken. The government needs tax revenues. The RMD rules result in individuals having to pay income tax on their IRA and pension distributions. The IRS is not inclined to change the RMD rules if the change will lead to individuals paying fewer taxes.

Many individuals are attaining ages in excess of age 85 and because of the

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RMD rules many times these individuals have severely depleted their IRA account balances. One proposal would require the IRS to issue new life expectancy tables. The IRS last revised these tables in 2002. If the IRS would revise these tables to incorporate more current life expectancy information it is believed that individuals are living longer and therefore RMDs would decrease if new life expectancy tables were used.

In summary, there needs to be a two step plan of action to increase U.S. retirement plan assets. First, more small employers need to establish a retirement plan for their employees. Secondly, the number of individuals in the U.S. making annual IRA contributions must increase substantially.

2018 Form 5498

2018 ☐ VOID ☐ CORRECTED

TRUSTEE'S or ISSUER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code		1 IRA contributions (other than amounts in boxes 2-4, 8-10, 13a, and 14a) \$	OMB No. 1545-0747 2018 Form 5498 IRA Contribution Information
TRUSTEE'S or ISSUER'S TIN		2 Rollover contributions \$	Copy A For Internal Revenue Service Center File with Form 1096.
PARTICIPANT'S TIN		3 Roth IRA conversion amount \$	
PARTICIPANT'S name		4 Recharacterized contributions \$	For Privacy Act and Paperwork Reduction Act Notice, see the 2018 General Instructions for Certain Information Returns.
Street address (including apt. no.)		5 FMV of account \$	
City or town, state or province, country, and ZIP or foreign postal code		6 Life insurance cost included in box 1 \$	
Account number (see instructions)		7 IRA <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE <input type="checkbox"/> Roth IRA <input type="checkbox"/> 8 SEP contributions \$	
		9 SIMPLE contributions \$	
		10 Roth IRA contributions \$	
		11 Check if RMD for 2019 <input type="checkbox"/>	
		12a RMD date	12b RMD amount \$
		13a Postponed/late contrib. \$	13b Year 13c Code
		14a Repayments \$	14b Code
		15a FMV of certain specified assets \$	15b Code(s)

Form 5498 Cat. No. 50010C www.irs.gov/Form5498 Department of the Treasury - Internal Revenue Service

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1. **On the bottom left** there is an “Account Number” box. The IRA custodian is required to insert an account number in this box when filing more than one Form 5498 for the same person. If your institution wants to earn some bonus points with the IRS, you will complete this box even though it is not required. A unique number should be used. Using such a number helps the IRS to process corrected information accurately. The account number may be a checking or savings account number or some other unique number with respect to an individual. The number must not appear anywhere else on the form (i.e. it cannot be the social security number).

2. **In Box 7** only one of the 4 boxes must be checked to indicate the type of IRA. A person who has a traditional IRA, SEP IRA and Roth IRA would need to be furnished three 5498 forms.

3. **Box 1. IRA Contributions** (other than amounts in boxes 2-4, 8-10, 13a and 14a). Enter the amount of the annual contributions made on or after January 1, 2018 through April 15, 2019 as designated for 2018. The IRA custodian is to report the gross amount of the annual contributions even if such contributions are excess contributions, or will be later recharacterized. These are still to be reported. A traditional IRA contribution, which is not properly reported in one of the other traditional IRA boxes as discussed below, is to be reported in box 1. For example, if a person tries to roll over \$28,000, but does so on day 70 without furnishing a late rollover self-certification form and the IRA custodian learns of this fact prior to filing the current year's Form 5498, then the IRA custodian must report this \$28,000 in box 1. This same procedure would apply if somehow non-IRA funds had been mistakenly transferred into an IRA.

4. **Box 2. Rollover Contributions.** Enter the amount of the rollover contributions made on or after January 1, 2018 through December 31, 2018. Made means received by the traditional IRA custodian. Also, enter those contributions which are treated as a rollover contribution (i.e. direct rollover).

Do not report late a rollover in box 2.

A rollover may either be an indirect rollover or a direct rollover.

An indirect rollover means the paying plan (could be an IRA or an employer plan) issues the distribution check to the individual who then makes a rollover contribution by the 60 day deadline. A 60 day indirect rollover may occur between two traditional IRAs, two SEP-IRAs, or between a traditional IRA and a SEP-IRA or vice versa.

Remember that nonspouse IRA beneficiaries are ineligible to roll over a distribution from one inherited IRA and redeposit it into another inherited IRA.

A direct rollover occurs when an employer plan issues the check to the IRA custodian on behalf of the individual. By definition, a direct rollover can-

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not occur between IRAs. Employer plan means a qualified plan, section 403(b) plan or a governmental section 457(b) plan. The funds attributable to a nonspouse beneficiary of such plans are eligible to be directly rollover to an inherited IRA and would be reported in Box 2.

5. **Box 3. Roth IRA Conversion Amount.** This box will be completed when a conversion contribution is made to a Roth IRA during 2018.
6. **Box 4. Recharacterized Contributions.** The IRS instructions are very brief, "Enter any amounts recharacterized plus earnings from one type of IRA to another." If a person had made either an annual contribution or a conversion contribution to a Roth IRA in either 2017 and/or 2018, he or she may elect to recharacterize it as adjusted by earnings or losses to be traditional IRA contribution in 2018. The total amount recharacterized is to be reported in box 4. Although the IRS instructions use the term, "plus earnings," the IRS should use the term, "plus or minus earnings or losses."
7. **Box 5. Fair Market Value of Account.** The IRS instructions for this box are also very brief, "Enter the FMV of the account on December 31."

The IRS added a caution to self-directed and trust IRAs as follows: "Trustees and custodians are responsible for ensuring that all IRA assets (including those not traded on established markets or with otherwise readily determinable market value) are valued annually at their fair market value."

The instruction to report the FMV as of December 31 applies whether there is a living IRA accountholder or an inheriting IRA beneficiary.

If the IRA accountholder or inheriting beneficiary is alive as of December 31, the individual closed his or her IRA during the year by taking a total distribution and he or she made no "reportable contribution," then the IRA custodian is not required to prepare and file the Form 5498. **However, if the IRA accountholder or inheriting beneficiary died during the year, the IRA custodian will need to prepare a final Form 5498 for the deceased IRA accountholder or inheriting beneficiary as discussed below.**

With respect to a deceased accountholder or a deceased inheriting IRA beneficiary, the IRS gives

the IRA custodian two options. Option #1 - report the FMV as of the date of death. Option #2 - report the FMV as of the end of the year in which the decedent died. Under Option #2 the value will usually be zero because the IRA custodian will be reporting the end of year value on the Form 5498's for the beneficiary or beneficiaries. If Option #2 is used, the IRA custodian must inform the executor or administrator of the decedent's estate of his or her right to ask for the FMV as of the date of death.

If the IRA custodian does not learn of the individual's death until after the filing deadline for the Form 5498 (i.e May 31), then it is not required to prepare a corrected Form 5498. However, an IRA custodian must still furnish the FMV as of the date of death if requested to do so.

8. **Box 6. Life Insurance cost included in box 1.** An IRA custodian will normally leave this box blank or will insert a 0.00 since it is only to be completed if there was a contribution to an IRA endowment contract as sold by an insurance company a long time ago.
9. **Box 8. SEP Contributions.** Any SEP contributions made to the IRA custodian during 2018 are to be reported in box 8. Such contributions could have been for 2017 or 2018. Contributions made in 2019 for 2018 are to be reported on the 2019 Form 5498.
10. **Box 9. SIMPLE Contributions.** Any SIMPLE-IRA contributions made during 2018 are to be reported in box 9. Such contributions could have been for 2017 or 2018.
11. **Box 10. Roth IRA Contributions.** Any Roth IRA contributions for 2018 are to be reported in box 10 as long as made between January 1, 2018 and April 15, 2019.
12. **Box 11. Check if RMD for 2019.** An IRA custodian is required to check this box if the IRA accountholder attains or would attain age 70½ or older during 2019. The instructions do not discuss whether or not this box is to be checked for an inheriting traditional IRA beneficiary. It should not be checked for an inherited IRA. Completing this box is necessary only if the IRA custodian is required to prepare a 2018 Form 5498 for a person. This box is not checked with respect to an individual who died during 2018 and

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who would have attained age 70½ or older during 2019 had he or she lived.

13. Boxes 12a (RMD date) and 12b (RMD Amount). An IRA custodian's use of these two boxes is optional, it is not mandatory.

Under current IRS procedures, the IRS does not require the traditional IRA custodian to furnish it with the RMD amount to the IRS. The law is unsettled whether or not the IRS has the legal authority to require that an IRA custodian furnish the RMD amount to the IRS. Since the IRS would like to be furnished this information, the IRS has added boxes 12a and 12b to the Form 5498.

The approach adopted by the IRS is that a traditional IRA custodian by completing boxes 11, 12a and 12b on the Form 5498 and furnishing it to the IRA accountholder will meet the requirement that it must furnish a RMD Notice by January 31. The IRS instructions do permit the IRA custodian to furnish a separate Form 5498 with the only information being furnished is the information for boxes 11, 12a and 12b.

14. Box 13a. Postponed contribution or Late Rollover.

Postponed contributions may arise for various reasons. They may arise on account of a major disaster or for U.S. Forces in designated combat zones.

Report the amount of any postponed contribution made in 2018 for a prior year such as 2015, 2016, or 2017.

If contributions were made in 2018 for more than one prior year (e.g. 2015 and 2016), each year's postponed contribution must be reported on a separate Form 5498.

Also, report the amount of any late rollover contribution made in 2018 as certified by the IRA owner.

If the IRA owner made both a postponed contribution and a late rollover contribution, each must be reported on a separate Form 5498. Because the contribution amount is reported in box 13a, it is not to be reported in box 1 or box 10.

15. Box 13b. Year (Postponed Contribution).

Enter the year for which the postponed contributions in box 13a was made (e.g. 2016). Leave this box blank if there was a late rollover contribution.

16. Box 13c. Code.

Enter the reason the participant made the postponed contribution.

- For participants' service in a combat zone, hazardous duty area, or direct support area, enter the appropriate executive order or publish law as defined under Special reporting for U.S. Armed Forces in designated combat zones, earlier.

- For participants who are "affected taxpayers," as described in an IRS News Release relating to a federally designated disaster area, enter "FD."

- For participants who are making a rollover of a qualified plan loan offset amount, enter "PO."

- For participants who have certified that the rollover contribution is late because one or more of the circumstances listed in section 3.02(2) of Rev. Proc. 2016-47, enter "SC."

17. Box 14a. Repayments.

Enter the amount of any repayment of a qualified reservist distribution or of a designated disaster distribution.

A traditional IRA accountholder who has taken a distribution under special disaster rules or who has taken a qualified reservist distribution is eligible to repay the distribution even though such repayment does not qualify as a rollover. Enter the amount of the repayment(s).

18. Box 14b. Code.

Enter QR for the repayment of a qualified reservist distribution.

Enter DD for the repayment of a qualified disaster distribution.

19. Box 15a. FMV of certain specified assets.

Enter the FMV of the investments in the IRA that are specified in the categories identified below.

20. Box 15b. Code(s)

Enter the code for the type(s) of investments held in the IRA for which the FMV is reported in Box 15a. A maximum of two codes can be entered in box 15b. If more than two codes apply, enter code H.

A - Stock or other ownership interest in a corporation that is not readily tradable on an established securities market.

B - Short- or long-term debt obligation that is not traded on an established securities market.

C - Ownership interest in a limited liability company or similar entity (unless the interest is traded on an established securities market).

D - Real estate.

E - Ownership interest in a partnership, trust, or similar entity (unless the interest is traded on an established securities market).

F - Option contract or similar product that is not offered for trade on an established option exchange.

G - Other asset that does not have a readily available FMV.

H - More than two types of assets (listed in A through G) are held in this IRA.

21. Duty To Prepare/Furnish Corrected Form 5498. An IRA custodian is required to prepare a corrected form 5498 as soon as possible after it learns there is an error on the original form as filed. The IRS furnishes the following example. "If you reported as rollover contributions in box 2, and you later discover that part of the contribution was not eligible to be rolled over and was, therefore, a regular contribution that should have been reported in box 1 (even if the amount exceeds the regular contribution limit), you must file a corrected Form 5498.

Email Consulting Guidance - Divorce Take Distribution from Pension Plan or IRA?

IRA Custodian's Question

We had a customer come to one of our branches. In her divorce her husband has to pay her half of his retirement plan he has elsewhere. Our customer has no intentions of leaving the funds in a IRA as she says she need the funds.

Are we required to open an IRA for her to accept the funds and then just turn around and charge her our fees to close immediately?

CWF's Guidance

There is no law requiring a bank to set up an IRA for someone if it knows the IRA will be closed immediately. In order for the bank to charge a fee you would have to provide the IRA disclosure statement more than 7 days prior to when she opens the new IRA. Under the 7 day revocation rule, the bank is not allowed to assess any type of fee when the IRA plan agreement and disclosure statement are furnished simultaneously and the IRA owner exercise their revocation right.

She will want to consider the following. I am assuming the retirement plan document provides she is eligible for an immediate distribution. The plan administra-

tor will inform her whether she is eligible for an immediate distribution.

How old is she? Over 59 1/2 or under?

The retirement plan must furnish her a distribution form/booklet. She must be given the following three options. She has the right to take a cash distribution, do a direct rollover to an IRA or a combination of the two. If she wants to be paid cash, the plan must withhold 20% of the distribution because she is eligible to directly rollover her funds into an IRA.

Whether she takes a distribution from the retirement plan or the IRA she must include the withdrawn amount in income and she will pay tax at a marginal tax rate which applies to her. The 20% which is withheld is only an estimate of her tax liability.

In my opinion if she is under age 59 1/2 she wants to be paid cash from the retirement plan because the 10% tax does not apply when funds are withdrawn from a pension plan on account of divorce. This is not the rule if she takes a distribution from her IRA. She will also owe the 10% additional tax. Divorce is not an exception to the 10% tax for an IRA distribution.

CWF's Guide for the IRS Distribution Codes For Box 7 of the 2018 Form 1099-R

Box 7 is to be completed by the IRA custodian with one descriptive code or with two codes which will help the IRS determine if a person is paying the correct taxes with respect to his or her IRA distributions. The IRS asks the IRA custodian to help in determining if a person owes the 10% or 25% additional tax and for what year any income is taxable, if any.

In some cases only one code is to be used to describe a certain IRA distribution. The solo codes are: 1, 2, 3, 4, 5, 7, 8, G, J, K, N, P, Q, R, S and T.

In other cases it is mandatory to use two code. It is mandatory when there is an applicable numeric code and an alpha code. It is not permitted to enter more than two codes. It is also mandatory in three numeric code combination situations. They are: codes 81, 82 or 84 or 18, 28, or 48.

If two or more distribution codes are not valid combinations, then the IRA custodian must file more than one Form 1099-R. That is, a separate Form 1099-R must be filed for each distinct distribution code.

If two or more other numeric codes are applicable, an IRA custodian must file more than one Form 1099-R.

The various code combinations for IRA distributions are set forth:

- 1 Early distribution, no known exception or individual to indicate exception on Form 5329
- 18 Withdrawal of an excess contribution in same year as contributed but also an early distribution no known exception.
- 1P Withdrawal of an excess contribution in the year following the year contributed but also an early distribution no known exception.
- 1K Early distribution, no known exception of traditional, SEP, or SIMPLE IRA assets not having a readily available FMV
- 2 Early distribution, exception applies.
- 28 Withdrawal of an excess contribution in same year

as contributed but an exception applies.

- 2P Withdrawal of an excess contribution in the year following the year contributed but an exception applies.
- 2K Early distribution, exception applies, but involves a traditional, SEP, or SIMPLE IRA asset not having a readily available FMV.
- 3 Disability
- 4 Distribution to a beneficiary regardless of age.
- 48 Distribution to a beneficiary regardless of age of an excess contribution made by the account holder one year and withdrawn by the beneficiary the same year.
- 4P Distribution to a beneficiary regardless of age of an excess contribution made by the account holder one year and withdrawn by the beneficiary the next year.
- 4K Distribution to a beneficiary regardless of age of an IRA asset not having a readily available FMV.
- 4G Distribution to a beneficiary of a 401(k) or similar plan regardless of age which is directly rolled over to an inherited traditional or Roth IRA.
- 5 Prohibited Transaction
- 7 Normal Distribution – Age 59½ or older
- 7K Normal distribution of an IRA asset which does not have a readily available FMV
- 8 Withdrawal of an excess contribution by a person age 59½ or older the same year the excess contribution was made
- 81 Withdrawal of an excess contribution in the same year as contributed but no known exception
- 82 Withdrawal of an excess contribution in same year as contributed but also an exception applies.
- 84 Distribution to a beneficiary regardless of age of an excess contribution made by the account holder one year and withdrawn by the beneficiary the same year.
- 8J Withdrawal of a Roth IRA excess contribution in the same year as contributed but no known exception.

Continued on page 7

8K Withdrawal of an excess contribution made one year and withdrawn the same year when the distribution involves an IRA asset not having a readily FMV

Code G is primarily used to report a direct rollover from an employer plan to an IRA. However, it is also used to report a direct payment from an IRA to an employer plan

G Used to report a direct payment from a traditional IRA to an accepting employer plan.

GK Used to report a direct payment from a traditional IRA to an accepting employer plan. when the distribution involves an IRA asset not having a readily FMV

J Used to report various distributions from a Roth IRA. It is primarily used to report nonqualified distributions. However, it is also used to report a qualified distribution on account of meeting the first time home buyer rule.

J8 Withdrawal of a Roth IRA excess contribution in the same year as contributed

JP Withdrawal of a Roth IRA excess contribution in the year following year it was contributed

K Distribution of traditional, SEP, and SIMPLE IRA assets not having a readily available FMV

K1 Early distribution, no known exception of IRA assets not having a readily available FMV

K2 Early distribution of IRA assets not having a readily available FMV, but exception known

K4 Distribution to an IRA beneficiary regardless of age of an IRA assets not having a readily available FMV.

K7 Distribution to an IRA accountholder age 59½ or older of IRA assets not having a readily available FMV

K8 Withdrawal of an excess contribution made one year and withdrawn the same year when the distribution involves an IRA asset not having a readily FMV

KG Used to report a direct payment from a traditional IRA to an accepting employer plan. when the distribution involves an IRA asset not having a readily FMV

N Deemed distribution and the recharacterized IRA contribution occur the same year

P Withdrawal of an excess contribution by a person age 59½ or older in the year following the year the excess contribution was made

P1 Withdrawal of an excess contribution in the year following the year the excess contribution was made, but no known exception

P2 Withdrawal of an excess contribution in the year following the year the excess contribution was made, but an exception known

P4 Distributions to a beneficiary regardless of age of an excess contribution made by the accountholder one year and withdrawn the next year

PJ Withdrawal of a Roth IRA excess contribution in the year following year it was contributed

Q Used to report a qualified distribution from a Roth IRA. Know 5-year holding period met and the accountholder is age 59½ or older or disable or a payment is made to a beneficiary.

R Used to report a recharacterization of an IRA contribution made for one year and recharacterized in the following year.

S Early distribution from a SIMPLE IRA by an accountholder who has not reached age 59½ in the first two years with no known exception.

T Used to report a non-qualified distribution from a Roth IRA because it is known the 5-year holding period has not been met but the accountholder is age 59½ or older or disable or a payment is made to a beneficiary.

Completing the 2018 Form 5498-SA

2727 ☐ VOID ☐ CORRECTED

TRUSTEE'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number		1 Employee or self-employed person's Archer MSA contributions made in 2018 and 2019 for 2018 \$ 2 Total contributions made in 2018 \$	OMB No. 1545-1518 2018 HSA, Archer MSA, or Medicare Advantage MSA Information Form 5498-SA	
TRUSTEE'S TIN	PARTICIPANT'S TIN	3 Total HSA or Archer MSA contributions made in 2019 for 2018 \$	Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2018 General Instructions for Certain Information Returns.	
PARTICIPANT'S name		4 Rollover contributions \$		5 Fair market value of HSA, Archer MSA, or MA MSA \$
Street address (including apt. no.)		6 HSA <input type="checkbox"/>		
City or town, state or province, country, and ZIP or foreign postal code		Archer MSA <input type="checkbox"/>		
Account number (see instructions)		MA <input type="checkbox"/>		

Form 5498-SA Cat. No. 38467V www.irs.gov/Form5498SA Department of the Treasury - Internal Revenue Service
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Completing the Form 5498-SA is, for the most part, self-evident. This form is used either to report contribution activity to an HSA or to one of the two types of MSAs. This article discusses completing the form for HSA contributions. Set forth below are the IRS instructions as modified by CWF.

1. Statements to participants. If you are required to file Form 5498-SA, you must provide a statement to the participant (generally Copy B) by May 31, 2019. You may, but you are not required to, provide participants with a statement of the December 31, 2018 fair market value.

2. Box 1 will not need to be completed for an HSA, since it applies only to MSA contributions.

3. Box 2 is to be completed with the total of HSA contributions made in 2018. Included are contributions from January 1, 2018, to December 31, 2018, for 2018, including an HSA Funding Distribution/Contribution and HSA contributions made from January 1, 2018, to April 17, 2018, for tax year 2017.

4. Box 3 is to be completed with the total of HSA contributions made from January 1, 2019 to April 15, 2019 for tax year 2018, but not including any HSA Funding Distribution/Contribution. Note the amount in Box 3 on the 2018 Form will be reported a second time in Box 2 on the 2019 Form 5498-SA.

5. Box 4 is to be completed with the total of rollover contributions as originating from an Archer MSA, or an HSA to an HSA, as received by the HSA custodian during 2018.

6. Box 5 is to be completed with the fair market value of the HSA on December 31, 2018.

7. Box 6 - check the "HSA" box.

Special IRS Instruction Regarding Using Black and White Copies of Forms 5498-SA and Forms 1099-SA

Online fillable form. Due to the very low volume of paper Forms 1099-SA and 5498-SA received and processed by the IRS each year, these forms have been converted to an online fillable format. You may fill out the forms, found online at [IRS.gov/Form1099SA](https://www.irs.gov/Form1099SA) and [IRS.gov/Form5498SA](https://www.irs.gov/Form5498SA), and send Copy B to the recipient. For filing with the IRS, follow the applicable procedures for filing electronically if you are filing 250 or more forms. **For Forms 1099-SA and 5498-SA only**, if you are filling these forms on paper, you may send in the black and white CopyAs with Form 1096 that you print from the IRS website.

Statements to Participants. If you are required to file Form 5498-SA, you must provide a statement to the participant (generally Copy B) by May 31, 2019. You may, but you are not required to, provide the participant with a statement of the December 31, 2018 FMV of the participant's account by February 1, 2019. For more information about statements to participants, see part M in the 2018 General Instructions for Certain Information Returns.

If you furnished a statement of the FMV of the account to the participant by February 1, 2019, and no reportable contributions, including rollovers, were made for 2018, you need not furnish another statement (or Form 5498-SA) to the participant to report zero contributions. However, you must file Form 5498-SA with the IRS by May 31, 2019 to report the December 31, 2018, to report the December 31, 2018, FMV of the account.