The Pension Digest

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ALSO IN THIS ISSUE –

Collin W. Fritz and Associates, Inc.,
"The Pension Specialists"

January 31, 2019 Deadline

January 31, 2019 is a Thursday and it is the deadline for furnishing three required IRA forms. An IRA custodian/trustee must furnish (i.e. mail, email, fax or personally deliver) the following to its IRA account holders and its inheriting IRA beneficiaries. If this deadline would be missed, the IRS may assess the fines discussed within the article.

2018 Form 1099-R

Any person (accountholder or beneficiary) who received a distribution(s) from an IRA totaling more than $10 for the year must be furnished a 2018 Form 1099-R.

This Form 1099-R must be prepared on a per plan agreement basis. That is, if a person would have two traditional IRAs and one Roth IRA, then he or she must be furnished three Form 1099-Rs. In addition, there must be a Form 1099-R prepared for each applicable distribution code. For example, if a person has a traditional IRA and one distribution required the use of Code "1", one the use of code "3" and one the use of Code "7", then three Form 1099-Rs must be furnished.

When an individual receives more than one copy of the Form 1099-R, then it is mandatory for the IRA custodian/trustee to insert a unique number in the account number box located in the lower left hand corner of the form. Even though there will be times when furnishing this account number is not required, the IRS encourages IRA custodians/trustees to voluntarily furnish it. This account number allows the IRS to process the submissions of any corrected forms.

If the IRA custodian would fail to timely furnish a 2018 Form 1099-R or furnishes one prepared with errors, then the IRS may assess a fine of $270 per form (times two).

Fair Market Value (FMV) statements

An IRA custodian must furnish a FMV statement to each IRA accountholder and each inheriting beneficiary having a balance as of December 31, 2018, to each IRA accountholder who died during 2018, and to any IRA accountholder who made a reportable contribution for 2018 during 2018. The deadline to furnish the FMV statement is January 31, 2019.

This FMV statement must be prepared on a per plan agreement basis. That is, if a person would have two traditional IRAs and one Roth IRA, then he or she would need to be furnished three FMV statements. These could be combined on one statement as long as there were three separate sections.

There must be a sentence on the statement informing the recipient that the FMV information (Balance as of December 31) will be furnished to the IRS when the 2018 Form 5498 will be filed with the IRS in May of 2019.

The IRA Custodian/trustee may, but is not required, to furnish contribution and earnings (including interest) information on the FMV statement for traditional IRAs, SEP-IRAs and Roth IRAs. However, a special rule applies for SIMPLE-IRAs. In

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the case of a SIMPLE-IRA, the IRA custodian must furnish a detailed statement listing all contributions (dates, and amounts) made by the employer on behalf of the SIMPLE-IRA accountholder.

Why is it required to furnish the FMV statement? A taxpayer who has basis within a traditional IRA, SEP-IRA or SIMPLE-IRA needs the FMV for purposes of completing the Form 8606 to determine the taxable portion of a distribution and the nontaxable portion.

The IRS may assess a penalty of $50 for each failure to furnish the FMV statement for traditional IRAs, SEP-IRAs, and Roth IRAs. The penalty is $100 PER DAY for failing to furnish the FMV statement for a SIMPLE-IRA.

RMD Notice for 2019.

An IRA custodian/trustee must furnish each traditional/SEP/SIMPLE-IRA accountholder who was born on or before June 30, 1949 and who has a balance as of December 31, 2018 with an RMD Notice. This RMD notice must be furnished to ALL such accountholders and not only to those individuals who attain age 70½ in 2019. The 2019 RMD notice is not required to be furnished to an individual who only attains age 70 in 2019 (i.e. born between July 1, 1949 and December 31, 2049).

There is no requirement and no need to furnish an RMD Notice to a Roth IRA accountholder since the RMD rules do not apply to a Roth IRA accountholder while he or she is alive.

Three items must be set forth in the required RMD Notice.

First, the deadline applying to the specific IRA accountholder must be set forth. This will be December 31, 2019, for an individual who is older than age 70½ in 2019 or April 1, 2020, if the individual does attain age 70½ in 2018. Second, there must a sentence informing the individual that the IRS will be told on the 2018 Form 5498 that he or she is subject to the RMD rules for 2019. Third, the individual must be informed of his or her RMD amount for 2019 or that such amount has not been calculated, but will be if the individual contacts the IRA custodian/trustee and requests that the calculation be made.

Although the RMD laws apply to an inheriting IRA beneficiary of all four types of IRAs, current IRS rules do not require the IRA custodian/trustee to furnish an RMD notice. CWF strongly suggests you do so. The model IRS IRA forms require that there be an RMD distribution made to an inheriting beneficiary. A beneficiary who fails to take an RMD will owe the 50% tax and may well argue that the custodian/trustee should pay some of this tax for its failure to notify or payout a RMD.

The IRS may assess a fine of $50.00 for each time an IRA custodian/trustee fails to furnish a complying RMD notice.

In summary, an IRA custodian/trustee must furnish the 2018 Form 1099-Rs, 2018 FMV statements, and 2019 RMD Notices by January 31, 2019 or it will be subject to being fined by the IRS.

12/31/19 RMD Deadline for 5-Year Rule if Death Occurred in 2014

This article is a reminder to an IRA custodian to make sure that any nonspouse beneficiary using the 5-year RMD rule must close out an inherited IRA by December 31, 2019, if the IRA accountholder died in 2014. If not closed, the beneficiary will owe the 50% tax on the balance as of December 31, 2019.

The tax laws require that the 5 year rule applies if the beneficiary is not an individual and the IRA holder has died prior to his or her required beginning date. For example, the IRA owner named his or her estate as the IRA beneficiary. This requires the owner's entire IRA must be distributed to the beneficiary by the end of the fifth year following the year of the IRA owner's death. No distribution is required prior to that fifth year. There is one exception to this rule. The 5 year rule does not automatically apply if the beneficiary is a qualified trust.

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Email Consulting Guidance – Missed RMDs

Q-1 We have a customer who will not do the paperwork to do her RMD for the year, I know the customer would have a tax penalty, but would the bank have a penalty also, we had this happen last year and she didn't take her 2017 distribution until January of 2018. If we can get her to do the distribution, (she has $37 to distribute this year since her 2017 didn't post until January 2018), should we add this $37 on to her 2018 distribution, so she will be caught up for the two years?

A-1 I understand her RMD for 2017 was $37 and her RMD for 2018 is also $37. She withdrew $37 (for 2017) in January of 2018 and she still needs to withdraw the other $37 by 12/31/18.

If she withdraws the additional $37 in 2018, the bank will prepare her 2018 Form 1099-R showing a normal distribution of $74.

The IRS has no authority to impose the 50% tax associated with missed RMDs on the bank. She will also owe the 50% tax for 2018 if she does not withdraw the $37 by 12/31/18.

Q-1A I'm sorry, I didn't explain this as I should have, her RMD last year was $690.27, so when the 2017 RMD was taken in 2018, there was $37.90 of 2018 (2018 RMD is $728.17) left to be taken. I just didn't know if we need to try to catch her up on the total for two years, since she missed 2017, or just do the $37.90 left to be done this year. It sounds like it would be best to catch her up on the two years, if we can get her to complete the paperwork. Thank you for your help.

A-1A Yes, she needs to get caught up on her 2017 and 2018 RMDs.

If a person misses an RMD for a given year, such problem exists for that year and all future years until corrected. The problem does not disappear on its own.

The law imposes a 50% tax on a person when a person has a missed RMD. If person's RMD is $800 and the person is distributed only $600, then the person has a missed RMD of $200 and the person owes a tax of $100 ($200 x 50%). This tax will be assessed every year until the person withdraws the missed $200 RMD amount.

Email Consulting Guidance – Inherited IRAs

Q-1 My notes indicate that the Joint Life and Last Survivor Expectancy table is only used if the account owner's spouse is more than 10 years younger AND is the sole beneficiary of the account. I just want to confirm... is that the sole primary beneficiary or any beneficiary? We have a situation where the wife is the primary beneficiary and is more than 10 years youngers, but they have two contingent beneficiaries. I'm trying to determine if we should be using the ULT or Joint table .

A-1 In order to use the Joint Table, the spouse must be sole primary beneficiary and must be more than 10 years younger. There can be a contingent beneficiary(ies).

Q-2 Can an Inherited Roth IRA RMD (actually it's the full account balance) be made payable directly to a Donor Advised Fund (DAF)? Since it's a Roth and distributions aren't taxable, I don't see why not. I understand this is not allowed for Traditional IRA distributions being made payable to a DAF.

A client passed away, and named his parents beneficiaries. The Roth IRA custodian established Inherited Roth IRAs for the parents. They don't need/want the money, so were going to send the entire account balance to a DAF that was set up at The Community Foundation in their son's honor.

A-2 As a client service you can make the check payable to whomever the Roth IRA beneficiary instructs, but you must still prepare a Form 1099-R in the beneficiary's name. Even though the Roth IRA distribution is qualified the two individuals will need to explain on their tax return why the distribution(s) is/are not taxable.

I work very little with donor advised funds or gift tax situations. As you know, an inherited Roth IRA will earn tax free income for many years as long as funds remain in the Roth IRA and any distribution will be tax free (assumes 5 year is met). Your clients could give amounts

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Inherited IRAs,
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withdrawn from the inherited Roth IRAs to whomever they would want when they would want. The donees would not have to be IRS approved charities. There could be gift tax issues. For 2018, the annual gift tax exclusion amount is $15,000.

Apparently, income earned by a Donor Advised Fund is also not taxed. Your clients are retaining professional assistance to make charitable gifts to IRS qualifying charities.

If your clients would decide to not immediately move these inherited Roth IRA funds into a DAF, they could designate the DAF as their beneficiary.

As for traditional IRAs (inherited or regular) being paid to directly to a DAF, this person could so instruct, but the person would need to include the withdrawn amount in income. The person may or may not be able to claim a tax deduction for their contribution. Many individuals would probably choose not to adopt this approach. I could see the IRA owner designating the DAF as their IRA beneficiary.

Q-3 The IRS has levied an inherited traditional IRA. What reason code is to be used for Form 1099-R purposes?

A-3 The reason code should be the 4 for death since the IRA is an inherited IRA.

You will prepare the Form 1099-R as if you made the distribution to the beneficiary.

See the enclosed article. The IRS has issued guidance for when the distribution is to be made to a state's unclaimed property fund. The IRS has not expressly discussed what procedures apply when the funds are paid to a state on account of a state tax levy.

I believe the same process is to apply. The bank is to withhold 10% for the IRS and then remit the remaining 90% to the state.

The law is unclear as to how the income tax, withholding rules apply in this situation. The standard withholding rules require the IRA owner be given a form explaining the withholding rules and then the IRA owner is to furnish his or withholding instruction. The IRA owner can instruct to have 0% withheld, 10% withheld or to withhold any percentage between 11% and 100%. Possibly, the individual in this situation would instruct to have 100% withheld for federal income tax purposes.

Q-4 I have a customer that is the 100% beneficiary of her husband's IRA. Her financial advisor wants her to open an inherited IRA instead of transferring it in to her IRA and treating it as her own. Is it okay to open an inherited IRA for a spouse instead of transferring and treating as her own,

A-4 Yes, an inherited IRA may be established and maintained by a surviving spouse. This normally may be the decision by a surviving spouse if she is younger than age $59\frac{1}{2}$. There can be some other situations also. For example, the deceased spouse was 67 and the surviving spouse is age 72. If the surviving spouse elects to treat as own, an RMD will need to taken next year and each subsequent year with respect to his/her additional funds. Since he died before his required beginning date she can initially elect the 5 year rule and delay having to take distributions for a number of years.

A surviving spouse always has the right to treat their deceased spouse's as their own. Will she want to do so in the future?

She will still want to designate her own beneficiaries for this inherited IRA. She and her adviser want to understand what rules will apply to her beneficiary(ies) should she die prior to treating the inherited IRA as her own IRA.

Q-4A She and her husband are already in RMD status, I know it will need to be coded a death distribution when she takes the RMD from the inherited IRA next year. Her family was just insistent that their financial advisor wanted it done as an inherited IRA, and not transferred to her own and treat as her own. They want her to leave it in an inherited IRA. I just wanted to make sure this was okay.

A-4A Customers must rely on their advisor.

Has the adviser furnished anyone an explanation why it is best the funds stay in the inherited IRA? FDIC insurance reasons? The FDIC has said the $250,000 limit applies separately to regular IRA funds versus inherited IRA funds.

Upon her death the children will have with respect to the inherited IRA a much shorter withdrawal period than is the case if she treats his IRA as her own IRA.

Q-4B The adviser seems to think because she is transferring it to her IRA she will have to pay taxes on it. I tried to explain it to them. They are insistent I do it this way.

A-4B I have doubts whether the adviser understands the income tax rules applying to inherited IRAs.

Any person who withdraws funds from a traditional IRA must generally include the distribution in their income and pay tax at their applicable marginal income tax rate. It is does not matter if the IRA is their personal IRA or one which was inherited. This is true for both spouse beneficiaries and non-spouse beneficiaries.

The IRA owner who dies or his estate no longer pays income tax with respect to any distribution occurring after his death. I understand his estate is not the IRA beneficiary.

A spouse. beneficiary may be able to defer taxation by transferring into his or her own IRA or by rolling over the inherited IRA into his or her own IRA. It depends on his or her age.

When an inherited IRA is established (by a non-taxable transfer) for a non-spouse beneficiary, there is 9Q distribution which causes a current distribution which must be included in income.

Email Consulting Guidance – HSAs

Q-1 If a HSA's date of birth is 8/1954 and her spouse is 11/51. Is it okay~ deposited $7,850 for 2018. They have the same insurance. Can they deposit for the full family amount since he is over 65?

A-1 He is probably enrolled in medicare. He is ineligible to make an HSA contribution for himself.

She will turn age 65 in 2019 and 66 in 2020. A person is ineligible to make an HSA contribution for the month they enroll in medicare and all subsequent months. I assume she is not enrolled in medicare in 2018.

If she is not enrolled in Medicare in 2018, then is eligible to contribute $7900 for 2018 assuming she is covered by the qualifying HDHP for all 12 months of 2018. It is does not matter that he is also covered by the same HDHP.

The limit for family coverage went from $7900 to $7850 back to $7900. She is not required to deposit the $7900. It is okay she contributed $7850.

Email Consulting Guidance – Roth IRA Conversions

Q-1 I have a client who has a traditional IRA in investments elsewhere. He wants to rollover a portion of his traditional to a Roth. He is over 70½. Is this something we can do?

A-1 Yes, he and you can do it. See the attached brochure discussing the "Roth IRA conversion" topic.

Note a person cannot convert the current year's RMD. The person can convert any amount in excess of the RMD.

A person does a conversion by setting up a new Roth IRA if the person does not have and then makes a Roth IRA conversion contribution. Your new Roth IRA application form or a Roth IRA contribution form should list this contribution type- conversion. There are 2 administrative approaches for your, situation.

Approach #1. Funds are transferred from the other traditional IRA to Old Fort and it is put into a traditional IRA. The transfer is not IRS reported. He then converts some or all of it to a Roth IRA.

Approach #2. You send the other IRA custodian a special form instructing to have the traditional IRA funds moved out of that institution into a Roth IRA with Old Fort. We would charge a fee of $23 to furnish a pdf tillable form. I expect your IRA forms vendor would have the form also.

Most likely the other institution will prefer Approach #1 since it will not need to prepare any IRS reporting forms.

A Roth IRA conversion is always IRS reportable. The traditional IRA custodian will prepare a Form 1099-R for the person showing the distribution is taxable. The Roth IRA custodian will indicate on the Form 5498 for the person's Roth IRA that a Roth IRA conversion contribution was made.

Email Consulting Guidance – Moving IRA Funds into a 401(k) plan

Q-1 1 have an IRA customer that wants to take $4,000 from her IRA and then there will be a request to transfer from the institution that currently has her 401(k) funds. First Question: Is it okay for her to take a distribution from her IRA and then shortly after transfer the remaining balance into her 401(k)? With the distribution she is not 59$^{1}/_{2}$ so what would her IRS. penalty be from the IRS for this W/D? . . .

Second Question: Can you transfer Traditional IRA funds into your 401 (k)?

A-1 Technically, she can not "transfer" these funds and she can not directly roll them over. The IRS in the 1099-R instructions call this movement from an IRA into a 401(k) plan a "direct payment." Reason code G is to be used.

With respect to moving IRA money into a 401(k) or other employer plan, see the attached article. You could furnish Val this article. She can choose between two methods. Employer plans like it when the check is made payable to the plan rather than to the person.

If she withdraws $4,000 from her IRA and she is not yet 59$^{1}/_{2}$, she includes the $4,000 in her income and pays tax at the marginal tax rate applying to her. Tax rates rates for 2018 are 12%, 22%, 24% and 32%. In addition she will owe the 10% additional tax for not being 59$^{1}/_{2}$.

The law requires the IRA custodian to withhold 10% of the amount being withdrawn unless the person instructs more should be withheld or that 0.00 be withheld. At a minimum the person's tax liability is 22% (12% + 10%), so it would be prudent to have more withheld. The law does allow the person to instruct to have 0.00% withheld.

The law does not impose on the bank a special duty to collect the 10% pre-59$^{1}/_{2}$ tax. Sometimes people think the IRS has a duty to collect the 10% tax. The bank does not. The 10% tax is only part of the tax owed by the individual.

Email Consulting Guidance – Direct Rollovers and Rollovers and RMDs

Q-1 I have a question that I hope you can help me with. We had an employee who retired at the beginning of this year (2018). His money was Invested in a 401(k) plan and a pension plan through the bank. He should have taken an RMD for 2017, but chose to wait and take it in 2018.

He took his 2017 RMD from Pension funds in January 2018.

In March 2018 he rolled his 401 K plan into an IRA at our bank. He still needs to take his 2018 RMD. Does it matter if the RMD comes from the pension fund or can it come out of his IRA? Is there any negative consequences from pulling from one or the other?

A-1 The law is very clear - an RMD is ineligible to be rolled over. There is no exception to this rule even though involved parties may have the attitude, "what's the big deal whether I take the RMD from the 401 (k) plan or my IRA as long as I take it."

It matters and it makes a difference. It is important that RMDs are distributed from the proper plan.

The RMD rules apply to every 401(k) plan and to every IRA. It is important that each plan comply with the RMD rules.

Each 401 (k) plan must comply with the RMD rules. Each IRA must comply with the RMD rules. However, there is an IRA rule which allows a person with multiple IRAs to aggregate such RMDs and withdraw the combined amount from just one of the IRAs. There is no aggregation rule for 401(k) plans. There is no aggregation rule for 401(k) plans and IRAs.

Your customer owes the 50% tax for 2017 if his/her RMD deadline was 12/31./17, but will not owe the

50% tax if the deadline was 4/1/18. Was 2017 the person's first RMD year or was the person subject to the RMD rules prior to 2017?

An RMD is never eligible to be rolled over. The 401(k) administrator should know this and should have distributed the RMD amount to the person. Technically, the

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401(k) administrator should ask the IRA custodian to return the RMD portion so it may do its correct IRS reporting. Probably this will not happen, but the 401(k) administrator should start doing what the IRS instructs to be done. The person should be receiving two 2018 1099-R forms- one for the direct rollover amount and one for the RMD amount, but most likely with only get one. Technically, the 401(k) plan could be fined by the IRS $1080 for preparing the two 1099-R forms incorrectly ($270 x 2 x 2).

The IRA custodian in preparing the person's Form 5498 is to report the correct rollover amount in box 2 (rollovers) and the excess portion (the RMD portion) in box 1 as a regular contribution. The person must withdraw from the IRA the RMD as an excess contribution (and the earnings). In general, the deadline to correct is 4/15/19. If the IRA custodian would report the total amount in box 2 as the rollover amount, it could be fined by the IRS $100 ($50x2) for preparing as incorrect Form 5498.

Review of IRA Contributions — Eligibility Rules

We at CWF sent the following response to an IRA custodian who had asked about a certain customer's eligibility to make IRA contributions for 2018. Most people are eligible to make traditional IRA contributions. More people should be making traditional IRA contributions even though they participate in a 401(k) plan.

You have a customer who is considering making an IRA contribution for 2018. His annual income is approximately $62,000. He is unmarried. He is age 56.

This individual is eligible to make his standard IRA contribution $5,500 and his catch-up contribution (if age 50 or older during 2018) of $1,000 regardless of whether he participates in a 401(k) plan.

A person who has compensation for the current year (i.e. 2018) and who will not attain age 70½ or older as of 12-31-18 is eligible to make a traditional IRA contribution.

High income or being wealthy does not make a person ineligible to make a traditional IRA contribution. Being in a 401(k) plan does not affect how much he is eligible to contribute to his traditional IRA or Roth IRA.

Being an active participant in a 401(k) plan may impact whether or not an individual may claim a tax deduction for his or her traditional IRA contribution.

Contributions to a traditional IRA will either be deductible or nondeductible. Both of these types of contributions can be made to the same traditional IRA. It is his or her accountant's job to track any nondeductible contributions (i.e. basis).

Being in a 401(k) impacts whether or not he is eligible to claim a tax deduction for his traditional IRA contribution. If his 2018 MAGI is too high, he loses the ability to claim a tax deduction for some or all of his contribution. However, if his MAGI (more than just wages) is below a certain level ($63,000 if filing "single" and $101,000 if filing married/joint) then he is able to deduct 100% of his traditional IRA contribution. It appears he will be able to deduct his full traditional IRA contribution.

The above discussion is based on the assumption he is making a traditional IRA contribution.

If he wanted to make a Roth IRA contribution, he could do so since he meets the two eligibility rules. He has Roth "IRA" compensation and his MAGI does not exceed the limits set forth in the following chart:

MAGI EFFECT ON ROTH IRA CONTRIBUTIONS

		2018	2019	%
Single, Head of Household	Less than	$120,000	$122,000	100%
	Between			Prorated
	More than	$135,000	$137,000	0%
Married Filing Jointly or Qualifying Widow(er)	Less than	$189,000	$199,000	100%
	Between			Prorated
	More than	$193,000	$203,000	0%
Married Filing Separately	Less than	$0	$0	100%
	Between			Prorated
	More than	$10,000	$10,000	0%

Note that being in a 401(k) plan does not affect his ability to make a contribution to his Roth IRA. Even if he is age 75, he is eligible to make a Roth IRA contribution as there is no age 70½ rule for Roth IRA contributions.

Is an RMD Due for 2019?

Alice was born on July 1, 1949. Does she have a required minimum distribution (RMD) for 2019?

No. An IRA accountholder must take an RMD for the year she attains age 70½. Alice attains age 70½ on January 1, 2020. She does not attain age 70½ in 2019. She will be required to take an RMD for 2020. Her deadline will be April 1, 2021, since that is her required beginning date (i.e. the April 1 for the year after one attains age 70½).

If Alice had been born on June 30, 1949, she attains age 70½ on December 30, 2019, and there will be an RMD due for 2019.

HSA Owner's, Including an Inheriting Beneficiary, Duty to File IRS Form 8889

An HSA owner has a duty to file the Form 8889 (HSAs) in certain situations. There are special rules if a person has more than one HSA as discussed below.

A person uses the Form 8889 to determine various tax consequences relating to his or her HSA. The individual reports the contributions made to his or her HSA either by an employer or personally. The individual determines what amount he or she is able to claim as a tax deduction. The individual also reports to what extent, if any, the distributions are taxable and whether or not any amount must be included in income because he or she did remain an eligible individual during a testing period.

A person must file Form 8889 if any of the following applies:

1. Contributions were made to the person's HSA for the year. These contributions could have been made by the individual, the individual's employer or another person or entity. Note: the Form 8889 must be filed even if it was only the employer who made any contributions.
2. Distributions were made from the person's HSA during the year.
3. The individual failed to remain an eligible individual and so must include certain amounts in income.
4. The individual acquired an interest in the HSA because he or she had been designated as a beneficiary and the HSA owner died.

The duty to prepare and file the Form 8889 applies even if the individual (and spouse, if married) is not required to file Form 1040 or Form 1040-NR. In this situation, the individual must prepare and file both the Form 8889 and the Form 1040/Form 1040-NR.

A form 8889 must be filed for each HSA.

Example #1. An individual is the HSA owner of two or more HSAs, then he or she must complete a separate Form 8889 for each HSA.

Example #2. An individual is the beneficiary of two or more HSAs, then he or she must complete a separate Form 8889 for each HSA.

Example #3. An individual is the beneficiary of an HSA and he or she has his or her own HSA, then he or she must complete a separate Form 8889 for each HSA.

Example #4. An individual is married and has his or her own HSA and so does the spouse. A separate Form 8889 must be prepared for each spouse and each HSA.

The IRS instructions require an individual to consolidate multiple 8889 forms as follows. Enter "statement" at the top of each Form 8889 and complete the form as instructed. Next, complete a controlling Form 8889 combining the amounts shown on each of the statement Forms 8889. The individual is then to attach the statements to his or her tax return after completing the controlling Form 8889.