

# Health Savings Account Excess Contribution Removal Form



The Internal Revenue Service (IRS) requires HSA Bank to report withdrawals that are considered refunds of excess contributions. For the withdrawal to be accurately reported, you may not withdraw the excess directly.

Complete this form to request an excess contribution refund for your Health Savings Account (HSA).

Complete and return this form to HSA Bank.

Email: [hsaforms@hsabank.com](mailto:hsaforms@hsabank.com)

Fax: 877-851-7041

Mail: P.O. Box 939, Sheboygan, WI 53082-0939

For assistance, please call 800-357-6246.

*NOTE: Funds contributed in excess of your contribution limit and the earnings on those funds are subject to penalty and tax unless the excess and earnings are withdrawn by you prior to the due date, including any extensions, for filing your federal income tax return. You should consult a qualified tax advisor in connection with your excess contribution removal.*

**All fields are required.**

Accountholder Information										
First Name:				Middle Initial:			Last Name:			
Account Number (8 or 12 digits from your statement or Member Website):										
Mailing Address:						City:			State:	ZIP:
Phone Number:										
Full 9-digit Social Security Number:					-			-		
Excess Contribution Information (Complete this section with the amount of excess being removed and the earnings on that excess.)										
My Excess Amount: \$						Earnings on Excess: \$				
Method of Funds Returned										
<input type="checkbox"/> Return my excess contribution funds to me. (Default) <i>If you have an external bank account linked to your HSA, the funds will be deposited into the account you have designated for direct deposit. Otherwise, you will receive a check.</i>										
<input type="checkbox"/> Apply my excess contribution as my current year's contribution. <i>If these funds would put the account in excess for current year, funds will not be redeposited and instead will be defaulted to the accountholder.</i>										
NOTE: HSA contribution maximums are determined by the IRS. Visit <a href="http://hsabank.com/irs-guidelines">hsabank.com/irs-guidelines</a> for current IRS contribution maximums.										
Catch-Up Contribution										
Accountholders who meet the qualifications noted below are eligible to make an HSA catch-up contribution of \$1,000. <ul style="list-style-type: none"> <li>• HSA accountholder</li> <li>• Age 55 or older (regardless of when during the year an accountholder turns 55)</li> <li>• Not enrolled in Medicare (if an accountholder enrolls in Medicare mid-year, catch-up contributions should be prorated)</li> </ul> Spouses who are 55 or older and covered under the accountholder's medical insurance can also make a catch-up contribution into a separate HSA in their own name.										
Signature										
By signing below, I hereby authorize a refund of the excess contribution and earnings as specified above.										
Signature:						Date:				

## HSA Contribution Tips

The below tips are for informational purposes only. HSA Bank does not provide tax advice. For questions regarding taxation and reporting requirements, contact a qualified tax advisor.

### Determining Your Contribution

When you're eligible to contribute to an HSA and have a qualifying high-deductible health plan (HDHP) from January 1 – December 31, you may contribute the IRS Maximum Contribution. Otherwise, prorating (including catch-up contributions) is required in order to avoid tax penalties when:

1. Your qualifying HDHP coverage will end before December 31;
2. Your coverage began after January 1, and you don't anticipate having coverage through December 31; **or**
3. You switch from family to single coverage during the year.

To calculate your prorated amount, determine the number of full months you were covered (count only those months where you have HDHP coverage on the first day of the month), divide that number by 12 months, and multiply by the maximum limit for your type of coverage.

For example (in this example family coverage = \$7100.00, single coverage = \$3550.00)

- a. If you had qualifying family coverage from January 1 – June 30, you were covered for 6 full months or 6/12 (.5) of the year, so your allowable contribution amount is  $.5 \times \$7,100 = \$3,550$ .
- b. If you had qualifying family coverage from January 1 – June 30, and qualifying single coverage from July 1 – December 31, you could contribute 1/2 of the family maximum and 1/2 of the single maximum as follows:  $\$3,550 + \$1,775 = \$5,325$ .
- c. If you had qualifying family coverage from July 1 – December 31, and you maintain this coverage through December 31, you can contribute the family limit of \$7,100. If coverage is discontinued in prior to December 31, \$3,550 is your eligible contribution amount.

The examples and calculation below are provided to assist you in determining your personal contribution limit. For a more comprehensive explanation, contact a qualified tax advisor.

Full months covered \_\_\_\_\_ / 12 = \_\_\_\_\_ × IRS maximum \_\_\_\_\_ = eligible contribution amount \_\_\_\_\_

If you're age 55 or older, and not enrolled in Medicare, an additional \$1,000 may be added to your annual contribution. The catch-up amount does not need to be prorated based on when in the year you turn 55.

### Excess Contributions

The Internal Revenue Service requires HSA Bank to report which of your withdrawals, if any, constitute refunds of excess contributions. In order for a withdrawal to be accurately reported as a refund of excess contributions rather than as a regular distribution, you may not withdraw the excess directly. Instead, you must request a refund of excess contributions by signing and completing the information on this form and returning it to HSA Bank.

### Insufficient Funds in HSA

If you don't currently have enough funds in your account to remove the excess and earnings attributable, you should consult your tax preparer to determine your best course of action.

### Earnings on Excess

Per IRS Notice 2004-50, Q & A 34: Section 223(f)(3)(A)(ii), any distribution of excess contribution to an HSA must be "accompanied by the amount of net income attributable to such excess contribution." Any net income is included in the individual's gross income. The rules for computing attributable net income for excess IRA contributions apply to HSAs. See Treas. Reg § 1.408-11 and Notice 2004-2, Q & A 22.

### Additional Resources

Other resources to aid you in response to this notice include:

- IRS Form 8889 and instructions
- IRS Form 5329 and instructions
- IRS Publication 969

If you have questions regarding your account balance, please call the number on the back of your debit card.