

REPORTING YOUR HEALTH INSURANCE PREMIUMS TO YOUR PAYROLL PROVIDER AS AN S-CORPORATION

Some of our clients have had some questions about reporting their health insurance premiums to their payroll company they are using. I wanted to clear up one item.

If you use a payroll service and your S-Corporation has paid health insurance premiums; this is what you will need to do:

1. Get the **TOTAL** health insurance premiums paid by you and/or your family for 2011 from your S-Corporation.
2. NOTE: If you have paid your premiums from your personal account, you will need to have the corporation reimburse you for the premiums you paid personally for 2011. To have your Health Insurance Premiums 100% deductible, they will need to be paid by the corporation or the corporation will have had to reimburse you personally.
3. Provide the TOTAL PREMIUM paid in 2011 for you and/or your family premiums to your payroll provider.
4. If your payroll provider does not know what you are referring to, you should indicate that the amount is for **"Health Insurance Premiums for >2% shareholder of an S-Corporation"**. They should be able to know what you are talking about.

Your TOTAL HEALTH INSURANCE PREMIUMS will need to be reported on your year-end W-2 statement.