



SHAREHOLDER HEALTH INSURANCE FORM

Dear Client:

The following is our 2020 Shareholder Health Insurance Form for your completion. This letter is also available on our website and a link is provided below for easy access.

Please do not respond to this email, as it is sent from a "no reply" email address and is not monitored. Please contact your accountant directly via phone or email with any questions.

If you have already provided this information to us, please disregard this reminder.

To Our S-Corporation Clients:

This letter is to request information on the amount of health insurance paid by the S-Corporation on behalf of shareholders who own more than 2% of the Corporation.

The amount of premium paid on behalf of these shareholders is required to be reported on the shareholder(s) W-2 as compensation.

If you use a payroll service (i.e. ADP, Paychex, etc.), this information **must** be supplied to them **BEFORE** they prepare the last payroll of the year. Let the payroll service know as early in December as possible. ***** Failure to notify your payroll service may require your payroll returns and W-2's to be amended, and they will charge additional fees. Please notify them as soon as possible! When referring to this information it should be referred to as the "**>2% Shareholder Health Insurance Adjustment**"

If you use our firm to prepare your payroll, please provide the information requested in the boxes below for calendar year 2020.

Please provide the name(s) of shareholder(s) and the amount of health insurance paid by the corporation on their behalf below.

Name	Premiums Paid on your behalf

If we prepare your payroll, we will need this information at the time of receipt of your payroll tax data or no later than January 15, 2021.

Note: As an owner in an S-Corporation you get very favorable treatment regarding the deduction of your health insurance premiums. Failure to include this information on your W-2, can result in the loss of this deduction. Please feel free to contact us with questions.

November 2020

Taxpayer Information Provided By:

Signature

Date

This letter can be accessed on our website by using the link below:

[http://cp7.cpasitesolutions.com/~staccpa1/files/S-Corp%20Health%20Ins%20Ltr%20on%20Ltrhd\(2\).pdf](http://cp7.cpasitesolutions.com/~staccpa1/files/S-Corp%20Health%20Ins%20Ltr%20on%20Ltrhd(2).pdf)