

Medical Saving Account (MSA)

Account Administrator Instructions

Account administrators must remit to the Tax Commission all **penalty funds** withheld from MSA non-medical withdrawals subject to penalty along with a Utah Medical Savings Account Reconciliation, form TC-97M, on or before January 31 following the close of the taxable calendar year.

In addition, account administrators must send to the Tax Commission a completed Statement of Withholding for Utah Medical Savings Account, form TC-675M (COPY A), for each account holder on or before January 31 following the close of the taxable calendar year.

The account administrator must also provide a copy of form TC-675M (COPIES B and C) to the account holder on or before January 31, following the close of the taxable calendar year. The account administrators must retain (COPY D) with their records.

Records must be maintained by the account administrator supporting the amounts listed on the TC-675M for the current year filing and three previous year filings.

TC-675M instructions:

- 1-3. Enter identifying information in boxes 1, 2 and 3.
4. Enter BEGINNING BALANCE in the account at the beginning of the calendar year.
5. Enter amount contributed to the plan during the current calendar year.
6. Enter interest earnings.
7. Enter qualified medical distributions.
8. Enter non-medical distributions not subject to penalties. This includes withdrawals that occur when the balance of the account is greater than \$4,000 dollars and the withdrawal does not result in the account balance dropping below \$4,000.
9. Enter non-medical distributions **subject to penalties**. This includes withdrawals from the account for a purpose other than medical expenses at any time the balance is below \$4,000. To determine the penalty, multiply the amount listed on this line by .10 (10%). This penalty amount must be withheld from the withdrawal and remitted to the Tax Commission. Report the penalty on line 12 below.
10. Enter account administrator's fee charged to the account.
11. Enter ENDING BALANCE in the account at the end of the calendar year. (ADD lines 4 through 6 and SUBTRACT lines 7 through 10).
12. Enter the 10% PENALTY amount withheld from the non-medical distributions on line 9. This amount must be reported and remitted to the Tax Commission on form TC-97M.

Attach a copy of each individual account holder's TC-675M to the TC-97M and remit payments for penalties to the Tax Commission by January 31 following the close of the taxable calendar year.

Detach coupon below and return to the Utah State Tax Commission.



Utah Medical Savings Account Reconciliation (MSA), TC-97M

Use this form to reconcile and report Statement of Withholding for Utah Medical Savings Account, TC-675M, and pay year-end penalties for non-medical withdrawals of MSA funds. A reconciliation must be filed, even if there are no penalties.

Account administrator's name	Federal ID number
Account administrator's address	
Signature	Date

Total number of TC-675M's	
Total MSA penalty amount reported	\$
Total MSA penalty amount remitted	\$

Make check or money order payable to the Utah State Tax Commission.
Do not send cash. Do not staple check to this coupon.

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