

**Publications**

# Form W-2 Health Care Reporting Made Optional for 2011

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**SERVICES**

Today, the Internal Revenue Service (IRS) issued welcome relief from the new Form W-2 reporting requirement regarding the cost of coverage under an employer-sponsored group health plan that is effective next year. Specifically, the IRS issued Notice 2010-69, which made the reporting optional for 2011 Forms W-2, and indicated that guidance is coming later this year on what should be reported. Also, the IRS released the draft 2011 Form W-2 that indicates that the health care cost can be reported in existing Box 12, using new code “DD,” and makes it clear that this amount is not taxable income to employees. Please see the attached memo for further information.