

NEW INFORMATION REPORTED ON W-2 REGARDING HEALTH CARE BENEFITS

In an effort to keep you informed, we are providing you with a brief explanation of changes that will be made to your 2012 Form W-2, which you will receive in January 2013. Changes that were in the Health Care Reform Law will affect how certain information is reported on your W-2. Under the Patient Protection and Affordable Care Act ("PPACA"), this law requires employers to report the total cost of employee health benefits on their W-2 starting with the 2012 tax year (for W-2s issued in January 2013).

IMPORTANT: This new required reporting is for informational purposes only, and does not represent or impose a new tax.

WHAT NEEDS TO BE REPORTED?

The cost of your health care benefits reported will include both your contribution to the cost of your health care coverage as well as WHOI's contribution. The appropriate amount will be reported as a total combined amount on your W-2 and represents the total annual cost for health care coverage paid for your employer-sponsored health insurance for your coverage period.

WHERE WILL IT BE REPORTED?

The total cost of health care benefits will be reported in Box 12 of your Form W-2, and it will be labeled as "Code DD." Due to the Health Care Reform Law, the IRS has created Code DD as a label for reporting of the total cost of your employer-sponsored health care benefits.

In January 2013 when you receive your W-2, look at Box 12 and find Code DD. This will be the amount that has been determined as the total cost of your employer-sponsored health care benefits for 2012. This amount will not be taxed because this amount is for informational purposes only.

QUESTIONS?

Please direct your inquiries to:

WHOI Human Resources Office
508-289-2253