

Reporting Employer-Sponsored Healthcare Coverage on W-2s

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The Affordable Care Act requires employers to report the cost of coverage under an employer-sponsored group health plan on an employee's Form W-2, Wage and Tax Statement, in Box 12, using Code DD.

Assuming your accountant or auditor confirms the coverage must be reported, following are the methods of entering the information into Agvance so it will display on the employee W-2.

An *Employer Sponsored Health Coverage* field has been added specifically to hold each employee's amount. It is found at the *Employee* file on the *Totals* tab when *Year* is selected.

The screenshot shows a software window titled "Edit An Employee - BeaEll Ellan Beahman". The window has several tabs: Profile, Pay, Deductions, Totals (selected), Activity, and GL. Under the "Totals" tab, there are radio buttons for "Month", "Quarter", and "Year" (selected). To the right, there is a field labeled "Employer Sponsored Health Coverage" with the value "0.00". Below this, there are three columns: "Pay", "Deductions", and "Taxes".

Pay	Deductions	Taxes
Regular	Insurance	Federal
Overtime	Cafeteria	State
Double time	401k	FICA
Vacation	Uniforms	Medicare
Sick	United Way	Local
Personal	Misc #1	FICA
3098.25	90.00	87.76
31.88	0.00	81.42
0.00	0.00	201.67
212.50	0.00	47.15
0.00	42.00	0.00
0.00	0.00	0.00

The amount of qualified insurance premiums can be typed into this field.

If several employees must be edited, this entry field is also available for edit at the *Batch Edit Employees* utility found in Admin Utilities (*Hub / Utilities / Admin Utilities / Accounting / Batch Edit Employees*).

If there are groups of employees with the same dollar amount to be reported, setting up Employee Classifications can speed the entry of like amounts.

Hint: To quickly replicate the figure in the Batch Edit Employee grid, use a *Ctrl-C* to copy and *Ctrl-V* to paste.

When processing W-2s, *Sponsored Benefit* should be selected in the *Box 12* area, using a prefix of *DD*.

Note: These instructions require version 5.0.8280 December 2012 Agvance release or later be installed.