

2008 quick reference tax guide



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§179 Expensing

For 2008, taxpayers may expense up to \$250,000 of qualifying property acquired for use in a trade or business. The deduction phase-out begins at \$800,000 on purchases of qualifying property.

For 2009, taxpayers may expense up to \$133,000 of qualifying property acquired for use in a trade or business. The deduction phase-out begins at \$530,000 on purchases of qualifying property.

For tax years 2003–2010, the taxpayer may make or revoke a §179 election on an amended return without the consent of the Commissioner.

Addresses: Where to File

Visit www.natptax.com, Federal Tax Information, Tax News, Where to File 2008 Returns in 2009, for current addresses.

Adoption

The maximum credit for 2008 is \$11,650 per adopted child. The credit will begin to be phased out for taxpayers when modified adjusted gross income (MAGI) exceeds \$174,730, and is completely phased out when MAGI reaches \$214,730. The credit is \$12,150 for 2009. The credit will begin to phase out when MAGI exceeds \$182,180 and is completely phased out when MAGI reaches \$222,180.

Alternative Minimum Tax (AMT)

For 2008, the AMT exemption amounts are as follows:

Filing Status	2008 Exemption	2008 Phase-Out
MFJ, QW	\$69,950	\$150,000 – 429,800
S, HH	\$46,200	\$112,500 – 297,300
MFS	\$34,975	\$75,000 – 214,900
For a child subject to kiddie tax	\$6,400 (Rev. Proc. 2007-66) plus child's earned income not to exceed \$46,200	\$112,500 – 297,300

Bonus Depreciation

The 50-percent bonus depreciation is back for 2008. The original use of the property must commence with the taxpayer (i.e., it applies to the purchase of new property).

Qualified property must have been acquired by purchase after 2007 and before 2009.

- If a binding contract to acquire the property existed before 2008, the property does not qualify.
- Property must be placed in service after 2007 and before 2009 (before 2010 for certain transportation property and certain property with a long production period).

Qualified property includes tangible property depreciated under MACRS with a recovery period of 20 years or less, water utility property, off-the-shelf computer software, and qualified leasehold improvement property. Qualified property does not include:

- Property placed in service and disposed of in the same year.
- Property converted from business use to personal use in the same tax year.
- Property depreciated under the alternative depreciation system (ADS).
- Property for which the taxpayer elects not to claim the special bonus depreciation allowance.

Fiscal year taxpayers whose tax year began in 2007 and ended in 2008 should use Form 4562-FY, *Depreciation and Amortization*, if they meet the criteria (i.e., acquired or entered into a binding contract of eligible property after December 31, 2007, and placed the property in service during the fiscal year, etc.).

See the Luxury Automobile Depreciation Limits on page 8 for the effects of bonus depreciation on the limits allowed for the first-year depreciation of a luxury automobile.

Capital Gains Rates

Rates are 0 percent and 15 percent for 2008 through 2010.

Child and Dependent Care Credit

The minimum child and dependent care credit is 20 percent and the maximum is 35 percent based on AGI. The amount of eligible expenses is \$3,000 for one child and \$6,000 for two or more children.

Child Tax Credit

For 2004–2010, the maximum child tax credit is \$1,000 for each qualifying child. For 2008, the child tax credit is refundable to the extent of the greater of:

- 15 percent of earned income above \$8,500 for 2008, or
- The excess of the taxpayer's social security taxes for the year over the earned income credit for the year for taxpayers with three or more qualifying children.

2008 Daycare Optional Meal and Snack Rates			
Type of Meal	Contiguous States	Alaska	Hawaii
Breakfast	\$1.11	\$1.76	\$1.29
Lunch and Supper	\$2.06	\$3.34	\$2.41
Snack	\$0.61	\$0.99	\$0.72

2009 Daycare Optional Meal and Snack Rates			
Type of Meal	Contiguous States	Alaska	Hawaii
Breakfast	\$1.17	\$1.86	\$1.36
Lunch and Supper	\$2.18	\$3.53	\$2.55
Snack	\$0.65	\$1.05	\$0.76

Dividend Rates

Qualified dividends are taxed at 0 percent and 15 percent for 2008 through 2010.

Earned Income Tax Credit

For 2008, the maximum amount of income a taxpayer can earn and still be eligible for the earned income credit increased. If earned income or AGI is at or exceeds the following amounts, the earned income credit will be zero.

2008 Earned Income Tax Credit			
Taxpayer	MFJ	Other Than MFJ	Maximum Credit
With one child	\$36,995	\$33,995	\$2,917
With two or more children	\$41,646	\$38,646	\$4,824
With no children	\$15,880	\$12,880	\$438

The maximum amount of investment income a taxpayer may have and still be eligible for the credit has increased to \$2,950 for 2008.

For 2009, the maximum amount of income a taxpayer can earn and still be eligible for the earned income credit increased. If earned income or AGI is at or exceeds the following amounts, the earned income credit will be zero.

2009 Earned Income Tax Credit			
Taxpayer	MFJ	Other Than MFJ	Maximum Credit
With one child	\$38,583	\$35,463	\$3,043
With two or more children	\$43,415	\$40,295	\$5,028
With no children	\$16,560	\$13,440	\$ 457

The maximum amount of investment income a taxpayer may have and still be eligible for the credit has increased to \$3,100 for 2009.

Education Credits

For 2008 and 2009, the maximum Lifetime Learning Credit is \$2,000 (\$4,000 for individuals who attend an eligible educational institution located in the Midwestern Disaster Area). The maximum Hope Credit is \$1,800 (\$3,600 for individuals who attend an eligible educational institution located in the Midwestern Disaster Area).

For 2008, the Lifetime Learning and Hope credits are phased out when married filing joint taxpayers' MAGI is between \$96,000 and \$116,000 (\$100,000 and \$120,000 for 2009). For all others, the phase-out is between \$48,000 and \$58,000 (\$50,000 and \$60,000 for 2009). The credit is not allowed if the taxpayer is married filing separately.

Elective Deferrals

The maximum amount of elective deferrals under a salary reduction agreement that could be contributed to a qualified plan is \$15,500 for 2008 (\$20,500 if the taxpayer was age 50 or over) and \$16,500 for 2009 (\$22,000 if the taxpayer was age 50 or over).

For SIMPLE plans, the elective deferral is \$10,500 for 2008 (\$13,000 if the taxpayer is age 50 or over) and \$11,500 for 2009 (\$14,000 if the taxpayer is age 50 or over).

Exemption Amount

The personal exemption amount increased to \$3,500 for 2008 and \$3,650 for 2009. A taxpayer may lose all or a part of his/her exemption if his/her AGI is above a certain amount. The phase-out AGI is:

Filing Status	2008 Phase-Out	2009 Phase-Out
MFJ, QW	\$239,950 – 362,450	\$250,200 – 372,700
HH	\$199,950 – 322,450	\$208,500 – 331,000
Single	\$159,950 – 282,450	\$166,800 – 289,300
MFS	\$119,975 – 181,225	\$125,100 – 186,350

Under the *Economic Growth and Tax Relief Reconciliation Act of 2001*, the exemption amount in 2008 for taxpayers with an AGI in excess of the maximum phase-out is \$2,333 (\$3,500 x 2/3). For 2009 it is \$2,433 (\$3,650 x 2/3).

First-Time Homebuyer Credit (Form 5405)

For principal residences purchased after April 8, 2008, and before July 1, 2009, a first-time homebuyer can claim a credit equal to the lesser of:

- 10 percent of the purchase price, or
- \$7,500 (\$3,750 if married filing separate).

With a purchase between January 1, 2009, and June 30, 2009, the taxpayer can elect to treat the purchase as made on December 31, 2008, thereby allowing the taxpayer to claim the credit on the 2008 tax return. The maximum credit is phased out for taxpayers with a MAGI between \$75,000 and \$95,000 (\$150,000 and \$170,000 for joint returns).

Foreign Earned Income Exclusion

For 2008, a qualified individual may exclude up to \$87,600 of qualified foreign earned income using Form 2555, *Foreign Earned Income*. For 2009, the indexed amount will be \$91,400.

Health Savings Accounts (HSAs)

Like IRAs, funds saved in HSAs are 100-percent tax-deferred until distribution. Taxpayers may contribute up to \$2,900 for singles, or \$5,800 for families for 2008. For 2009, the amount is \$3,000 for singles, or \$5,950 for families. There is an additional catch-up provision of \$900 in 2008 and \$1,000 in 2009 (and thereafter).

IRA: Contribution Limit to Traditional and Roth IRAs

For 2008 and 2009 the contribution limit to a Traditional or Roth IRA is \$5,000 (\$6,000 for taxpayers age 50 and over).

2008 Deduction Phase-Out for Traditional IRAs	
MAGI Phase-Out for Traditional IRA Deductions	
Taxpayer Covered by an Employer Plan	Spouse of Covered Employee
S, HH \$53,000 – 63,000	MFJ \$159,000 – 169,000
MFJ, QW \$85,000 – 105,000	MFS \$0 – 10,000
MFS* \$0 – 10,000	

*If taxpayer is filing MFS and did not live with spouse at any time during the year, he/she is considered Single for IRA deduction purposes.

2009 Deduction Phase-Out for Traditional IRAs	
MAGI Phase-Out for Traditional IRA Deductions	
Taxpayer Covered by an Employer Plan	Spouse of Covered Employee
S, HH \$55,000 – 65,000	MFJ \$166,000 – 176,000
MFJ, QW \$89,000 – 109,000	MFS \$0 – 10,000
MFS* \$0 -10,000	

*If taxpayer is filing MFS and did not live with spouse at any time during the year, he/she is considered Single for IRA deduction purposes.

2008 MAGI Phase-Out for Roth IRA Contributions		
Filing Status	Phase-Out Begins When MAGI Exceeds	Phased Out When MAGI Exceeds
MFJ	\$159,000	\$169,000
MFS (lived with spouse)	\$0	\$10,000
S, HH, QW, or MFS if taxpayer did not live with spouse at any time during the year	\$101,000	\$116,000

2009 MAGI Phase-Out for Roth IRA Contributions		
Filing Status	Phase-Out Begins When MAGI Exceeds	Phased Out When MAGI Exceeds
MFJ	\$166,000	\$176,000
MFS (lived with spouse)	\$0	\$10,000
S, HH, QW, or MFS if taxpayer did not live with spouse at any time during the year	\$105,000	\$120,000

Kiddie Tax

Kiddie tax applies to a child who:

- Has not attained age 18 before the close of the taxable year, or who is a full-time student who has attained age 18 before the end of the tax year, but is not yet age 24 and whose earned income does not exceed one-half of the child's support,
- Either parent of such child is alive at the close of the taxable year, and
- Does not file a joint return for the taxable year.

Long-Term Care Premiums Paid During 2008

In the case of an individual with an attained age before the close of the tax year of:	The annual limitation on deductible premiums is:
40 or less	\$310
More than 40 but not more than 50	\$580
More than 50 but not more than 60	\$1,150
More than 60 but not more than 70	\$3,080
More than 70	\$3,850

Long-Term Care Premiums Paid During 2009

In the case of an individual with an attained age before the close of the tax year of:	The annual limitation on deductible premiums is:
40 or less	\$320
More than 40 but not more than 50	\$600
More than 50 but not more than 60	\$1,190
More than 60 but not more than 70	\$3,180
More than 70	\$3,980

2008 Luxury Automobile Depreciation Limits

Period	Automobiles	Trucks and Vans
1st year – 2008	\$2,960 (\$10,960 if claim 50% bonus depreciation)	\$3,160 (\$11,160 if claim 50% bonus depreciation)
2nd year	\$4,800	\$5,100
3rd year	\$2,850	\$3,050
Succeeding years	\$1,775	\$1,875

Meal Expenses When Subject to “Hours of Service” Limits

Generally, a taxpayer may only deduct 50 percent of business-related meal expenses for traveling away from his or her tax home. A taxpayer may deduct a higher percentage if the meals take place during or incident to any period subject to the Department of Transportation’s “hours of service” limits. For tax years beginning in 2008 and thereafter, the deductible percentage is 80 percent.

(Archer) Medical Savings Accounts (MSAs)

The allowable plan limits for 2008 are as follows:

Health Plan	Annual Deductible	Out of Pocket	Annual Maximum Deduction
Self-only	\$1,950 – 2,900	\$3,850	65% of deductible
Family	\$3,850 – 5,800	\$7,050	75% of deductible

Nanny Tax

For 2008, FICA for domestic service in an employer’s home is not required unless the cash wages paid are \$1,600 or more (\$1,700 for 2009).

Per Diem Allowance For Transportation Industry

According to Rev. Proc. 2007-63 and 2008-59, the special transportation industry per diem rates are \$52 for CONUS and \$58 for OCONUS during both periods, October 1, 2007, to September 30, 2008, as well as October 1, 2008, to September 30, 2009.

Saver’s Credit

A saver’s credit can be claimed using Form 8880, *Credit for Qualified Retirement Savings Contributions*, by:

- Married couples filing jointly with incomes up to \$53,000 in 2008 or \$55,500 in 2009.
- Heads of Household with incomes up to \$39,750 in 2008 or \$41,625 in 2009.
- Married individuals filing separately and singles with incomes up to \$26,500 in 2008 or \$27,750 in 2009.

Eligible taxpayers can claim a nonrefundable credit against income tax and AMT for elective contributions to 401(k) plans, 403(b) annuities, §457 plans, SIMPLE and SEP plans, traditional or Roth IRAs, and voluntary after-tax employee

contributions to a qualified retirement plan or a 403(b) annuity. The credit rate (50, 20, or 10 percent) depends on the taxpayer’s filing status and modified AGI. The maximum annual credit is \$1,000 (\$2,000 if married filing jointly). The amount of any eligible contribution is reduced by certain retirement plan distributions received by the taxpayer and spouse during a “testing period.”

Self-Employment Optional Methods

Before 2008 the dollar thresholds were not indexed for inflation. In 2008, the following dollar limits apply:

- Under the farm optional method, if the individual’s gross farm income is \$6,300 or less, or net farm income is less than \$4,548, net earnings from self-employment equal the smaller of two-thirds of gross farm income (not less than zero) or \$4,200.
- Under the nonfarm optional method, if the net nonfarm income is less than \$4,548 and less than 72.189 percent of gross nonfarm income, and net earnings from self-employment were at least \$400 in two of the prior three years, net earnings from self-employment equal the smaller of two-thirds of gross income (not less than zero) or \$4,200.

Social Security

For 2008, the maximum wages subject to social security tax increased to \$102,000 (\$106,800 for 2009).

Standard Deduction

For 2008, taxpayers who are claiming the standard deduction can also claim a real property tax deduction. The real property tax deduction equals the lesser of:

- The amount allowable as a deduction on Schedule A for state and local real property taxes, or
- \$500 (\$1,000 for a joint return).

The basic standard deduction has increased as follows:

Filing Status	2008	2009
MFJ/QW	\$10,900	\$11,400
HH	\$8,000	\$8,350
Single	\$5,450	\$5,700
MFS	\$5,450	\$5,700

For 2008, the standard deduction for dependents who only have unearned income is \$900 (for 2009, it increases to \$950). If the dependent has both earned and unearned income, the standard deduction is the greater of:

- \$900 (for 2009, it increases to \$950); or
- The dependent’s earned income plus \$300 (the same for 2009), but not more than the basic standard deduction for his or her filing status.

For 2008, additional deductions for the aged or blind are \$1,050 for married or surviving spouse and \$1,350 for single or head of household taxpayers. For 2009, additional deductions for the aged or blind are \$1,100 for married or surviving spouse and \$1,400 for single or head of household taxpayers.

Standard Mileage Rates

Purpose	2008 Jan. - June	2008 July - Dec.	2009
Business	50.5¢	58.5¢	55¢
Medical and Moving	19¢	27¢	24¢
Charitable	14¢	14¢	14¢
Charitable (core Midwestern disaster area)*	36¢	41¢	14¢

*Beginning on the applicable disaster date, which varies from May 2, 2008, to June 27, 2008.

2008 Tax Laws Enacted

- *Emergency Economic Stabilization Act of 2008, Energy Improvement and Extension Act of 2008, and Tax Extenders and Alternative Minimum Tax Relief Act of 2008* (HR 1424)
- *Housing Assistance Tax Act of 2008* (H.R. 3221)
- *Heroes Earnings Assistance and Relief Tax Act of 2008* (H.R. 6081)
- *Food, Conservation, and Energy Act of 2008* (a.k.a. *The Farm Bill*)
- *Economic Stimulus Act of 2008* (H.R. 5140)

Visit www.natptax.com for summaries of these bills. Click on Federal Tax Information, then Tax Act Summaries.

2008 Tax Rates						
Filing Status	10%	15%	25%	28%	33%	35%
Single	\$0	\$8,026	\$32,551	\$78,851	\$164,551	\$357,701
MFJ/QW	\$0	\$16,051	\$65,101	\$131,451	\$200,301	\$357,701
MFS	\$0	\$8,026	\$32,551	\$65,726	\$100,151	\$178,851
HH	\$0	\$11,451	\$43,651	\$112,651	\$182,401	\$357,701

2009 Tax Rates						
Filing Status	10%	15%	25%	28%	33%	35%
Single	\$0	\$8,351	\$33,951	\$82,251	\$171,551	\$372,951
MFJ/QW	\$0	\$16,701	\$67,901	\$137,051	\$208,851	\$372,951
MFS	\$0	\$8,351	\$33,951	\$68,526	\$104,426	\$186,476
HH	\$0	\$11,951	\$45,501	\$117,451	\$190,201	\$372,951

Form W-2: Where to report reimbursements and benefits*

Not applicable to greater-than-2-percent shareholders or highly compensated employees

Employee Fringe Benefits	Box 1	Box 3 & 5	Box 10	Box 12	Code	Box 13	Box 14
Accident and Health Benefits (See Footnote 3)							
Accident and health benefits other than long-term care premiums	no	no	no	no	-	no	no
Long-term care premiums paid through a cafeteria or flex spending account	yes	yes	no	no	-	no	no
Long-term care premiums not paid through a cafeteria or flex spending account	no	no	no	no	-	no	no
Non-Cash Achievement Awards (See Footnote 2)							
Up to \$1,600 from a qualified plan or \$400 from a non-qualified plan	no	no	no	no	-	no	optional
The amount over \$1,600 from a qualified plan or \$400 from a non-qualified plan	yes	yes	no	no	-	no	-
Adoption Assistance (See Footnote 1)							
Paid from an adoption assistance program	no	yes	no	yes	T	no	-
Paid or reimbursed from a cafeteria plan	no	yes	no	yes	T	no	-
Forfeited from a cafeteria plan	no	no	no	no	-	no	-
Dependent Care Assistance Programs (See Footnote 1)							
Cash reimbursements up to limits of \$5,000 MFJ or \$2,250 MFS or Single	no	no	yes	no	-	no	no
FMV of on-site facilities less the amount paid by employee up to limits of \$5,000 MFJ or \$2,250 MFS or Single	no	no	yes	no	-	no	no
Amount reimbursed or value in excess of above stated limits	yes	yes	yes	no	-	no	optional

* Chart continued on page 10. Footnotes listed at the bottom.

Form W-2: Where to report reimbursements and benefits

Not applicable to greater-than-2-percent shareholders or highly compensated employees

Employee Fringe Benefits	Box 1	Box 3 & 5	Box 10	Box 12	Code	Box 13	Box 14
Educational Assistance (See Footnote 2)							
Up to \$5,250 paid from a qualified plan to maintain or improve job skills	no	no	no	no	–	no	no
Excess of \$5,250 or paid from a non-qualifying plan but considered a working condition fringe benefit	no	no	no	no	–	no	no
Paid as a working condition fringe benefit	no	no	no	no	–	no	no
Excess of \$5,250 or paid from a non-qualifying plan and not considered a working condition fringe benefit	yes	yes	no	no	–	no	no
Employee Discounts (See Footnote 2)							
Discounts not in excess of 20 percent of services	no	no	no	no	–	no	no
Discounts not in excess of the employer's cost	no	no	no	no	–	no	no
Discounts in excess of above limits	yes	yes	no	no	–	no	no
Group-Term Life Insurance Premiums (See Footnotes 5 & 6)							
Paid to current and former employees for up to \$50,000 of coverage	no	no	no	no	–	no	no
Paid to current employees in excess of \$50,000 of coverage up to FICA wage limit	yes	yes	no	yes	C	no	no
Paid to former employees in excess of \$50,000 of coverage	yes	yes	no	yes	M&N	no	no
Health Savings Accounts (HSAs) (See Footnote 2)	no	no	no	yes	W	no	no
Moving Expense Reimbursements (See Footnote 4)							
Paid or reimbursed deductible moving expenses	no	no	no	yes	P	no	no
Paid or reimbursed non-deductible moving expenses	yes	yes	no	no	–	no	optional
Qualified Transportation Benefits (See Footnote 4)							
Paid or reimbursed up to the following monthly limits: • \$115 per month for combined commuter highway vehicle transportation and transit passes • \$220 per month for qualified parking	no	no	no	no	–	no	no
Paid or reimbursed in excess of the above monthly limits	yes	yes	no	no	–	no	optional
Reimbursements For Employee Business Expenses							
	Box 1	Box 3 & 5	Box 10	Box 12	Code	Box 13	Box 14
Per diem, less than government rate (substantiated)	no	no	no	no	–	no	no
Per diem, equal to government rate (not substantiated)	no	no	no	no	–	no	no
Per diem, up to government rate (substantiated)	no	no	no	yes	–	no	no
Per diem, in excess of government rate (substantiated)	yes	yes	no	no	–	no	no
Any amount, other than a per diem amount (substantiated)	no	no	no	no	–	no	no
Any amount, other than a per diem amount (not substantiated)	yes	yes	no	no	–	no	no

Footnotes

- For this exclusion, a highly compensated employee for 2008 is an employee who meets either of the following tests:
 - The employee was a 5-percent owner at any time during the year or the preceding year.
 - The employee received more than \$100,000 in pay for the preceding year.
- For this exclusion, any employee who received more than \$100,000 in pay for 2007 is a highly compensated employee.
- A highly compensated employee for this exception is any of the following individuals:
 - One of the five highest paid officers.
 - An employee who owns (directly or indirectly) more than 10 percent in value of the employer's stock.
 - An employee who is among the highest paid 25 percent of all employees (other than those who can be excluded from the plan).
- The highly compensated employee rules do not apply due to the nature of the benefit.
- For this exclusion, a key employee during 2008 is an employee or former employee who is one of the following individuals:
 - An officer having annual pay of more than \$150,000.
 - An individual who for 2008 was either of the following:
 - A 5-percent owner of your business.
 - A 1-percent owner of your business whose annual pay was more than \$150,000.

See §416(i) of the Internal Revenue Code for more information.

- Note that although the amount is included in Box 1, no federal income tax withholding is required.

Form W-2: Where to report reimbursements and benefits

Applicable to greater-than-2-percent shareholders

Employee Fringe Benefits	Box 1	Box 3 & 5	Box 10	Box 12	Code	Box 13	Box 14
Accident and Health Benefits (See Footnote 1)							
Long-term care premiums paid through a cafeteria or flex spending account	yes	yes	no	no	–	no	no
Long-term care premiums not paid through a cafeteria or flex spending account	yes	no	no	no	–	no	no
Non-Cash Achievement Awards							
Up to \$1,600 from a qualified plan or \$400 from a non-qualified plan	no	no	no	no	–	no	optional
The amount over \$1,600 from a qualified plan or \$400 from a non-qualified plan	yes	yes	no	no	–	no	–
Adoption Assistance							
Paid from an adoption assistance program	yes	yes	no	no	–	no	–
Paid or reimbursed from a cafeteria plan	yes	yes	no	no	–	no	–
Dependent Care Assistance Programs							
Cash reimbursements up to limits of \$5,000 MFJ or \$2,250 MFS or Single	no	no	yes	no	–	no	no
FMV of on-site facilities less the amount paid by employee up to limits of \$5,000 MFJ or \$2,250 MFS or Single	no	no	yes	no	–	no	no
Amount reimbursed or value in excess of above stated limits	yes	yes	yes	no	–	no	optional
Educational Assistance							
Up to \$5,250 paid from a qualified plan to maintain or improve job skills	no	no	no	no	–	no	no
Excess of \$5,250 or paid from a non-qualifying plan but considered a working condition fringe benefit	no	no	no	no	–	no	no
Paid as a working condition fringe benefit	no	no	no	no	–	no	no
Excess of \$5,250 or paid from a non-qualifying plan and not considered a working condition fringe benefit	yes	yes	no	no	–	no	no
Employee Discounts							
Discounts not in excess of 20 percent of services	no	no	no	no	–	no	no
Discounts not in excess of the employer's cost	no	no	no	no	–	no	no
Discounts in excess of above limits	yes	yes	no	no	–	no	no
Group-Term Life Insurance Premiums (See Footnote 1)							
Paid to current and former employees up to \$50,000 of coverage	yes	no	no	no	–	no	no
Paid to current employees in excess of \$50,000 of coverage up to FICA wage limit	yes	yes	no	yes	C	no	no
Health Savings Accounts (HSAs)	yes	no	no	yes	W	no	no
Moving Expense Reimbursements (See Footnote 2)							
Paying as an employee: Paid or reimbursed deductible moving expenses	no	no	no	yes	P	no	no
Paying as an employee: Paid or reimbursed non-deductible moving expenses	yes	yes	no	no	–	no	optional
Paying as a partner: Paid or reimbursed deductible moving expenses	yes	yes	no	no	–	no	optional
Paying as a partner: Paid or reimbursed non-deductible moving expenses	yes	yes	no	no	–	no	optional
Qualified Transportation Benefits							
Monthly limits applied to employees do not apply to greater-than-2-percent shareholders	yes	yes	no	no	–	no	optional

Footnotes

- Note that although the amount is included in Box 1, no federal income tax withholding is required.
- IRS Pub. 15-B (Employer's Tax Guide to Fringe Benefits) lists 2-percent shareholders as nonemployees for the moving expense reimbursement exclusion. However, the regulations do not define "employee" for purposes of this exclusion, and under §132(g), qualified moving expense reimbursements can be received by any individual, not just an employee. Therefore, it is not entirely clear if the IRS' position is correct.