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 VOID CORRECTED

PAYER'S name, street address, city, state, and ZIP code		OMB No. 1545-1517 <b>1998</b> Form <b>1099-MSA</b>		<b>Distributions From Medical Savings Accounts</b>  <b>Copy A</b> <b>For</b> <b>Internal Revenue</b> <b>Service Center</b> <b>File with Form 1096.</b> For Paperwork Reduction Act Notice and instructions for completing this form, see the <b>1998 Instructions for</b> <b>Forms 1099, 1098,</b> <b>5498, and W-2G.</b>
PAYER'S Federal identification number	RECIPIENT'S identification number			
		\$	\$	
RECIPIENT'S name		<b>3</b> Distribution code		
Street address (including apt. no.)				
City, state, and ZIP code				
Account number (optional)				

Form **1099-MSA**

Cat. No. 23114L

Department of the Treasury - Internal Revenue Service

**Do NOT Cut or Separate Forms on This Page**

CORRECTED (if checked)

PAYER'S name, street address, city, state, and ZIP code		OMB No. 1545-1517 <b>1998</b> Form <b>1099-MSA</b>		<b>Copy B For Recipient</b>  This information is being furnished to the Internal Revenue Service.
PAYER'S Federal identification number	RECIPIENT'S identification number			
RECIPIENT'S name  Street address (including apt. no.)  City, state, and ZIP code		<b>3</b> Distribution code		
Account number (optional)				

Form **1099-MSA**

(Keep for your records.)

Department of the Treasury - Internal Revenue Service

## Instructions for Recipient

Distributions from a medical savings account (MSA) are reported to recipients on Form 1099-MSA.

The payer is not required to compute the taxable amount of any distribution. An MSA distribution is not taxable if you used it to pay qualified medical expenses or you rolled it over to another MSA. However, see **Box 2** below. If you did not use the MSA distribution for qualified medical expenses or you did not roll it over, you must include the distribution in your income, and you may owe a 15% penalty. If you had an MSA for 1998 or acquired an interest in an MSA because of the death of the account holder, you must file **Form 8853**, Medical Savings Accounts and Long-Term Care Insurance Contracts, with your Form 1040. For more information about MSAs, see **Pub. 969**, Medical Savings Accounts (MSAs).

**Nonspousal beneficiary.** If you inherited the MSA from someone who was not your spouse, you must report as income on Form 8853 the fair market value of the account on the date of death.

**Box 1.** Shows the amount you received this year. The amount may have been a direct payment to the medical service provider or distributed to you.

**Box 2.** Shows the earnings on any excess contributions you withdrew by the due date of your income tax return. If you withdrew the excess, plus any earnings, by the due date of your income tax return, you must include the earnings in your income in the year you received the distribution even if you used it to pay qualified medical expenses. This amount is included in box 1.

**Box 3.** These codes identify the distribution you received:

- 1—Normal distribution
- 2—Excess contributions
- 3—Disability
- 4—Death
- 5—Prohibited transaction

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PAYER'S name, street address, city, state, and ZIP code			OMB No. 1545-1517
			<b>1998</b>
		Form <b>1099-MSA</b>	

**Distributions From  
Medical Savings  
Accounts**

PAYER'S Federal identification number	RECIPIENT'S identification number	<b>1</b> Gross distribution \$	<b>2</b> Earnings on excess contributions \$
RECIPIENT'S name		<b>3</b> Distribution code	
Street address (including apt. no.)			
City, state, and ZIP code			
Account number (optional)			

**Copy C  
For Payer**  
For Paperwork  
Reduction Act  
Notice and  
instructions for  
completing this  
form, see the  
**1998 Instructions  
for Forms 1099,  
1098, 5498,  
and W-2G.**

Form **1099-MSA**

Department of the Treasury - Internal Revenue Service

## Payers, Please Note—

Specific information needed to complete this form and other forms in the 1099 series is given in the **1998 Instructions for Forms 1099, 1098, 5498, and W-2G**. A chart in those instructions gives a quick guide to which form must be filed to report a particular payment. You can order those instructions and additional forms by calling 1-800-TAX-FORM (1-800-829-3676).

**Due dates.** Furnish Copy B of this form to the recipient by February 1, 1999.

File Copy A of this form with the IRS by March 1, 1999.

**Form 8851.** A trustee of a medical savings account (MSA) must file **Form 8851**, Summary of Medical Savings Accounts, to report the number of MSAs established and other information. See Form 8851 for details.

