

## Part IV. Items of General Interest

Archer Medical Savings Accounts -- Trustees' Reports on the Number of Archer MSAs Established between January 1, 2005 and June 30, 2005 and between January 1, 2006 and June 30, 2006

Announcement 2007-24

### PURPOSE

The purpose of this announcement is to notify trustees and custodians that they must report to the Internal Revenue Service (IRS) the number of Archer MSAs established (1) between January 1, 2005 and June 30, 2005 and (2) between January 1, 2006 and June 30, 2006. Trustees must report this information to IRS on separate Forms 8851 for 2005 and 2006, no later than March 20, 2007. Form 8851 (revised 2007) is currently available at [www.irs.gov](http://www.irs.gov).

### Archer Medical Savings Accounts (Archer MSAs)

Archer MSAs are authorized by section 220 of the Internal Revenue Code. The Tax Relief and Health Care Act of 2006 § 117, Pub. Law. No. 109-432, amends sections 220(j)(4), (5) of the Code to require that trustees of Archer MSAs report the number of Archer MSAs established (1) between January 1, 2005 and June 30, 2005 and (2) between January 1, 2006 and June 30, 2006. Trustees must report this information to IRS by March 20, 2007. Archer MSAs will terminate if the number of individuals establishing Archer MSAs exceeds certain numerical limits. If these limitations are exceeded in 2005 or 2006, April 19, 2007 will be a "cut-off date" after which, in general, no new Archer MSAs can be established. IRS will publish no later than April 19, 2007 the number of Archer MSAs established and whether April 19, 2007 is a "cut-off date."

Questions regarding this announcement may be directed to Shoshanna Tanner in the Office of Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities) at (202) 622-6080 (not a toll-free number).