



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D. C. 20224

OFFICE OF THE CHIEF COUNSEL

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The Honorable Tom Emmer
Member, U.S. House of Representatives
9201 Quaday Avenue, NE
Otsego, MN 55330

Attention:

Dear Representative Emmer:

I am responding to your inquiry dated January 12, 2016, on behalf of your constituents, _____, about contributions to a health savings account (HSA). The question from your constituents is about the maximum HSA contribution for the year they reach age 65.

You can find the rules covering contributions for HSAs in section 223 of the Internal Revenue Code. We published the contributions limits for 2016 in Revenue Procedure 2015-30. According to Revenue Procedure 2015-30, for calendar year 2016, the annual limit on contributions for an individual with self-only coverage under a high deductible health plan is \$3,350. For calendar year 2016, the annual limit on contributions for an individual with family coverage under a high deductible health plan is \$6,750.

Under section 223, the amount of the maximum HSA contribution deduction in the year an individual reaches age 65 is prorated based on the number of months that the individual is an eligible individual. In particular, the maximum contribution is based on the number of months that the person is not enrolled in Medicare.

Assuming that the _____ have coverage by a high deductible health plan (HDHP) and no disqualifying coverage during 2016, for the 4 months that they have family HDHP coverage before the wife enrolls in Medicare, they would be allowed an HSA contribution of \$2,250 ($\$6,750 \times 4/12$) that could be divided between the couple's HSAs however they agree. In addition, the spouse turning 65 in April would be allowed a catch-up contribution of \$330 ($\$1,000 \times 4/12$) into her HSA. The spouse turning 65 in _____

October, assuming he continues with self-only HDHP coverage, would be allowed an additional HSA contribution of \$1,396 ($\$3,350 \times 5/12$). Also, that spouse would be allowed a catch-up contribution of \$750 ($\$1,000 \times 9/12$) into his HSA.

I hope this information is helpful. If you have any questions, please call me at
or at .

Sincerely,

Christine Ellison, Acting Chief,
Health and Welfare Branch,
Office of Associate Chief Counsel
(Tax Exempt and Government Entities)