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IRS Releases Revised Form 941, Instructions

The IRS has released revised versions of Form 941, *Employer's Quarterly Federal Tax Return*, and the *Instructions for Form 941*, dated April 2009. The revised form and instructions are available on the APA website at www.americanpayroll.org/members/Forms-Pubs/#tax. Notably, the instructions for Lines 12a and 12b have been revised. The instructions for Lines 12a and 12b have been changed to read as follows:

Line 12a: COBRA premium assistance payments

"Report on this line 65% of the COBRA premiums for assistance eligible individuals. Take the COBRA premium assistance credit on this line only after the assistance eligible individual's 35% share of the premium has been paid. For COBRA coverage provided under a self-insured plan, COBRA premium assistance is treated as having been made for each assistance eligible individual who pays 35% of the COBRA premium. Do not include the assistance eligible individual's 35% of the premium in the amount entered on this line."

Line 12b: Number of individuals provided COBRA premium assistance on Line 12a

"Enter the total number of assistance eligible individuals provided COBRA premium assistance reported on Line 12a. Count each assistance eligible individual who paid a reduced COBRA premium in the quarter as one individual, whether or not the reduced premium was for insurance that covered more than one assistance eligible individual. For example, if the reduced COBRA premium was for coverage for a former employee, spouse, and two children, you would include one individual in the number entered on line 12b for the premium assistance. Further, each individual is reported only once per quarter. For example, an assistance eligible individual who made monthly premium payments during the quarter would only be reported as one individual." *Note:* The instructions for Line 12b now parallel the COBRA Q&A dated May 1 (see [PAYROLL CURRENTLY, Issue No. 10, Vol. 17](#)).