



# *Town of Palmer*

*Bondsville, Depot Village, Thorndike & Three Rivers*  
*“The Town of Seven Railroads”*

**To:** All Employees

**From:** Finance Department

**Date:** February 9, 2026

**Subject:** Correction to Employer-Sponsored Health Coverage Amount Reported on Form W-2

This memorandum is to inform you that the employer-sponsored health insurance coverage amount reported in Box 12 (Code DD) on the 2025 Form W-2 was understated due to a reporting error.

Please note that the amount reported in Box 12, Code DD is provided for informational purposes only, as required under the Affordable Care Act (ACA). It does **not** affect your taxable wages, federal or state income tax liability, or Medicare wages.

Pursuant to the Affordable Care Act (Patient Protection and Affordable Care Act, Pub. L. 111-148) and Internal Revenue Code § 6051(a)(14), employers are required to report the aggregate cost of applicable employer-sponsored health coverage on Form W-2. IRS guidance clarifies that this reporting is for informational purposes only and does not cause such coverage to become taxable.

A corrected electronic file reflecting the accurate employer-sponsored health coverage amount will be submitted to the Social Security Administration.

If you would like to receive a corrected Form W-2 (Form W-2c) for your records, you may request one by contacting the Payroll Department. Employees who do not request a corrected form are not required to take any action.

We apologize for any inconvenience and appreciate your understanding. If you have any questions, please contact Danica Griswold at (413) 283-2695.

Respectfully