



Premium Only Plan

TAX SAVINGS FOR YOU

It's not how much you make that counts

It's how much you keep



Think^{HR}

Don't delay start today!

Enroll in your employer's Premium Only Plan and start paying less tax and keeping more of your salary.

What is a Premium Only Plan(POP)?

A Premium Only Plan is an IRS approved way to reduce your payroll tax and keep more of your salary. Because a POP allows you to pay premiums with pre-tax dollars for your health insurance, dental, vision, group term life (up to \$50k), make HSA contributions and more, your take home pay is increased.

How much will I save?

That depends on your salary, deductions, and the amount you pay in premiums. Please see the examples on the back and estimate your actual savings.

**Pay Less Tax
Keep More \$\$**

How do I get started?

Just see your employer and get the correct enrollment forms and a copy of the "Summary Plan Description" which will tell you all the details on how the plan works.

What if I need to make a change later?

You are allowed to change your election during the plan year if you have a "change in status" such as:

- A Marriage, divorce, death, legal separation or annulment
- Change in the number of dependents
- Change in employment status for you, your spouse, or dependent
- Change in coverage due to student age
- Change in residence that affects benefit eligibility

To make a change, see your employer to get a "Change of Election" form.





"How Much More Could You Keep?"

Estimated Eligible Expenses	Without POP	With POP
Annual Salary	\$25,000	\$25,000
Annual Before-Tax Contributions ^	\$0	-\$2,400
Taxable Income	\$25,000	\$22,600
Estimated Taxes (30.65%)*	-\$7,663	-\$6,927
Annual After-Tax Contributions	-\$2,400	\$0
Net Take-Home Pay	\$14,937	\$15,673
Increase In Take-Home Pay		\$736
% of Premiums Offset w/ Tax Savings		30.6%

^ Based on a monthly premium of \$200

* Based on an average 20% federal, 7.65% FICA, and 3% state tax rates

Example of Employee Savings

John Smith: Single, No Exemptions

Calculate Your Estimated Tax Savings	
Total Annual Premium Contributions	\$
Estimated Taxes*	x 0.3065
Total Annual Estimated Tax Savings	\$

* Based on an average 20% federal, 7.65% FICA, and 3% state tax rates.

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