

**FIXED BENEFIT PLAN
Imputed Income Facts**

IMPUTED INCOME FACTS

When you enroll in the Fixed Benefit Plan during your 90-day wait for state sponsored medical insurance, it's important to be aware of guidelines established by the Internal Revenue Service (IRS) regarding taxation.

The University pays 100% of the premium for your coverage under the Fixed Benefit Plan. The IRS considers this University contribution towards coverage as your imputed income.

Imputed income may be defined as an amount of money that your employer pays for certain non-tax-qualified benefits. Imputed income increases your taxable gross income that is subject to federal and state income taxes as well as for FICA (Social Security and Medicare) and taxes are withheld from your paycheck. Income tax withholding rates are calculated in accordance with your current W-4 and A-4 forms. Your imputed income is reported on your annual Form W-2.

For the Fixed Benefit Plan, your imputed income (additional taxable income) will be as follows depending on the coverage you elect:

Employee:	\$148.90/month
Employee plus one:	\$372.20/month
Family:	\$521.08/month

Disclaimer: This document is not providing tax advice. Please speak to a tax advisor for advice on your own particular situation.