

## Same-Sex Domestic-Partner Health Plan Benefit Tax Estimation Worksheet

After reading IU's *Tax Information for Domestic Partner Benefits* handout and consulting a tax advisor, use this form to **estimate** the cost of taxes an employee will pay for domestic-partner health plan enrollment. This estimated amount is based on the following factors:

- The tax status of the domestic partner and/or the partner's dependent child(ren).
- The IU-sponsored health care plan in which the employee is currently enrolled.
- The current level of coverage for the employee.
- The level of coverage the employee intends to elect for domestic partner enrollment.

The additional taxable income for domestic partner benefits can be calculated using the table below. The tax assessed on this additional income could be as much as 36 percent for an employee in the 25 percent federal tax bracket (25 percent federal, 7.65 percent FICA, and 4 percent state and local taxes). Tax rates for each individual vary. The total monthly premium amounts needed to estimate the annual tax are located on the back of this form.

NOTE: The total monthly premium includes both the IU contribution and employee contribution. These tax costs are in addition to the employee's payroll contribution for health plan coverage.

Total monthly premium for all enrolled individuals.....	\$	
Subtract total monthly premium for tax-qualified individuals.....	– \$	
The difference is the additional taxable income that will be included on the employee's W2.....	\$	
Multiply by .36 (an estimated 36% total taxes).....	X	.36
Estimated monthly tax.....	\$	

**Example:** An employee with a non-tax-qualified domestic partner enrolls in the IU PPO \$900 Deductible plan without dental. The employee's additional monthly taxable income is the difference between the total monthly premium for Employee w/Spouse coverage and the total monthly premium for Employee Only coverage (see chart below).

Total monthly premium for all enrolled individuals.....	\$ 929.23	
Subtract total monthly premium for tax-qualified individuals.....	– \$ 381.07	
The difference is the additional taxable income that will be included on the employee's W2.....	\$ 548.16	
Multiply by .36 (an estimated 36% total taxes).....	X	.36
Estimated monthly tax.....	\$ 197.34	

## 2009 IU-Sponsored Health Care Rates Total Monthly Premiums & Employee Contributions

---

### Medical Plan Rates

IU PPO \$900 Deductible	Total Premium	Employee Contribution	IU HDHP PPO	Total Premium	Employee Contribution
Employee Only	\$381.07	\$5.00	Employee Only	\$342.96	\$5.00
Employee/Child(ren)	\$760.11	\$10.00	Employee w/Child(ren)	\$684.10	\$10.00
Employee/Spouse	\$929.23	\$10.00	Employee w/Spouse	\$836.30	\$10.00
Family	\$1,055.28	\$39.74	Family	\$949.75	\$10.00

Blue Preferred Primary POS	Total Premium	Employee Contribution
Employee Only	\$396.39	\$5.00
Employee/Child(ren)	\$785.19	\$10.00
Employee/Spouse	\$961.70	\$17.04
Family	\$1,091.96	\$76.42

### Dental Plan Rates

	Total Premium	Employee Contribution
Employee Only	\$23.90	\$2.06
Employee/Child(ren)	\$43.04	\$11.90
Employee/Spouse	\$56.14	\$14.07
Family	\$81.89	\$22.65