



EasyChoice Take Care Plans

It's Like An Instant Raise!

EasyChoice® Take Care Plans allow you to pay for certain employee group benefits (like medical & dental) with pre-tax dollars, saving you money that would normally be paid in taxes. It's a smart savings tool that every business should utilize. EasyChoice take care plans come in two basic forms, "Premium Only Plans" or POPs, and "Flexible Spending Account Plans" or FSAs.

Premium Only Plans

POPs reduce employee taxes as well as employer taxes. By paying their share of group insurance premiums with tax-free dollars, employees save 25% to 40% depending on their tax bracket. Employers typically save on the matching Social Security (FICA) and Federal unemployment taxes of nearly 8%.

Flexible Spending Account Plans

The FSA is similar to the POP, while it allows you to create a menu of pre-tax options including, commuter, medical, and dependent care as well as create employee accounts from which they can pay for related out-of-pocket expenses. Our FSAs even offer a debit card for employees to access their pre-tax monies. Accounts include:

Dependent Care Reimbursement

- For employees with daycare or senior care needs

Medical Expense Reimbursement

- Covers your out-of-pocket medical expenses not covered by insurance
- Pays for deductibles, co-payments, prescriptions, dental expenses, vision care, glasses, contacts, etc.

Commuter Expense Reimbursement

- Pre-tax up to \$205 a month in mass-transit and \$105 parking fees

Real World Savings

An employee whose salary is \$30,000 and who contributes \$2,400 to an FSA, should see their taxable income drop to \$27,600. With taxes at 27.65% (rates of 20% federal, 7.65% FICA), that would increase yearly take-home pay by \$664. That's the equivalent to a 2.5% raise. Employees can also now use their banked money over a 14.5 month period! A company with 10 employees, an annual payroll of \$300,000, and Social Security taxes of 7.65%, would owe \$22,950 in taxes. If enough employees signed up for FSAs to move \$24,000 from the taxable payroll, the company would save nearly \$2000 in taxes, possibly paying for the plan itself!



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