

Gresham-Barlow SD 10

Code: **GCBC/GDBC-AR**
Adopted: 5/2/02

Taxable Value of Health Insurance Coverage for Domestic Partners

According to the Internal Revenue Service, health insurance coverage for domestic partners is a taxable benefit to the employee. District employees who enroll domestic partners in the health plans will have to pay income taxes on the fair market value of the health insurance coverage their domestic partners receive. The value of the domestic partner insurance coverage is considered earnings, is included in the employee's gross taxable income and is subject to state and federal income tax and FICA withholding. The taxable value of the domestic partner coverage will depend on which health plan the employee is enrolled in and the number of dependents enrolled. Each pay period the taxable value of the benefit will be reflected on the employee's paycheck stub (or notice of deposit). The district will simply add the value of the benefit to gross wages of the employee.

I have read this statement and received a copy of it.

Employee: _____ Date: _____