

Save in Taxes with the Pretax Group Insurance Premium Feature



The Pretax Group Insurance Premium feature allows you to pay your State Health Plan premiums with money from your paycheck before taxes are withheld. You may also use your pretax income to pay premiums for Dental Plus, Basic Dental, the State Vision Plan, Optional Life insurance coverage up to \$50,000 and the TRICARE Supplement Plan. With the feature, you benefit from having less taxable income in each of your paychecks, which means more spendable income to use toward your eligible medical and dependent care expenses.

Everyone who pays health, dental, vision or Optional Life premiums can enroll in the Pretax Group Insurance Premium feature. However, you can decline it when you first enroll. If you decline the feature, you can enroll in it during open enrollment, which takes place in October, or within 31 days of a special eligibility situation.

	Without Pretax feature	With Pretax feature	Pretax feature advantage
Gross monthly pay¹	\$3,750.00	\$3,750.00	
State retirement contribution (9%)	- \$337.50	- \$337.50	
Pretax payroll deductions²			
State Health Plan Standard Plan	- \$0.00	- \$143.86	
Dental Plus	- \$0.00	- \$74.26	
State Vision Plan	- \$0.00	- \$12.46	
Optional Life	- \$0.00	- \$4.30	
Taxable gross income	\$3,412.50	\$3,177.62	\$234.88
Estimated payroll taxes (27%)³	-\$921.38	-\$857.96	\$63.42
Payroll deductions²			
State Health Plan Standard Plan	- \$143.86	- \$0.00	
Dental Plus	- \$74.26	- \$0.00	
Vision	- \$12.46	- \$0.00	
Optional life	- \$4.30	- \$0.00	
Take-home pay	\$2,256.24	\$2,319.66	\$63.42
Additional take-home pay per year with Pretax feature			\$761.04

¹Assumes annual salary of \$45,000.

²Employee is 43 years old, is enrolled in employee/children coverage for the Standard Plan, Dental Plus and the State Vision Plan, and has \$50,000 in Optional Life coverage.

³Includes state and federal taxes; married, filing jointly.