

Election Form and Agreement for Pre-tax Premium Deductions for Health Insurance

In accordance with the Pre-tax Premium Conversion Plan of Section 125 of the United States Tax Code, I have the option to have the premium portion that I pay for myself and/or my dependents for SRCS group health insurance plans, including medical, dental and vision, taken out of my paycheck on a pre-tax basis, rather than after tax deductions. Therefore, I will not pay Federal income tax, Social Security tax and Medicare tax on the health insurance premium amounts. This results in a reduction to my payroll taxes and increase to my spendable income.

This Agreement will continue until:

- I cease to be eligible to participate in the Plan; or
- I revoke or change this agreement during the annual Open Enrollment period; or
- SRCS terminates, suspends, or modifies the Plan; or
- An eligible event occurs that makes it necessary for me to modify this agreement. Eligible events are: Marriage, divorce, death of spouse or dependent, birth or adoption, or a medical child support order, or commencement or termination of employment of spouse, change from full-time to part-time employment or part-time to full-time employment of employee or spouse, commencement of or return from unpaid leave of absence by employee or spouse, loss of a dependent's eligibility status and substantial change in insurance coverage of the employee or spouse attributable to the spouse's employee.

I further understand that I must complete and submit the required forms to the Payroll Department within 30 days of the qualifying event or during the annual Section 125 Open Enrollment period. I further understand that insurance contributions paid under this Premium Conversion Plan cannot be claimed as deductions on my personal tax return.

Check one:

I elect to have the premium for health insurance coverage, including medical, dental and vision, coverage deducted from my paycheck on a pre-tax basis. This change will be effective the following month of submission to the payroll department. **This will reduce the taxable income that is reported on my W-2 resulting in an increase in my net (after tax) income.**

I elect to have the premium for health insurance coverage, including medical, dental and vision, deducted from my paycheck on a post-tax basis. I will pay applicable Federal, and State taxes on the premium amount. **This will reduce my net (after tax) income.**

Employee Name (Please Print) _____

Employee Signature _____

Date _____

Employee ID _____ or last four digits of SSN: _____