

Fact 1:Wages Trigger Taxes.

Fact 2:Premiums paid by employee through a Section 125 Cafeteria Plan DO NOT TRIGGER TAXES!

Save money with a cafeteria plan and avoid a "Tax-Haircut"

Employers save on Federal & State Payroll Taxes & Worker's Compensation Premiums

		Column 1	Column 2	Column 3	Column 4
		EXAMPLE	EXAMPLE	EXAMPLE	EXAMPLE
SAMPLE PROJECTED SAVINGS #1		<u>MONTHLY</u>	<u>MONTHLY</u>	MONTHLY	<u>MONTHLY</u>
Employee Contributions		\$500.00	\$1,000.00	\$2,000.00	\$4,000.00
Employer FICA Savings	7.65%	\$38.25	\$76.50	\$153.00	\$306.00
Employer Worker's Comp Savings	2.00%	\$10.00	\$20.00	\$40.00	\$80.00
Total Monthly Savings	9.65%	\$48.25	\$96.50	\$193.00	\$386.00
Total Annual Savings>		\$579.00	\$1,158.00	\$2,316.00	\$4,632.00
SAMPLE PROJECTED SAVINGS #2					
Employer FICA Savings	7.65%	\$38.25	\$76.50	\$153.00	\$306.00
Employer Worker's Comp Savings	10.00%	\$50.00	\$100.00	\$200.00	\$400.00
Total Monthly Savings	17.65%	\$88.25	\$176.50	\$353.00	\$706.00
Total Annual Savings>		\$1,059.00	\$2,118.00	\$4,236.00	\$8,472.00