



# 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, including the tobacco use premium, 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.

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 each year, or within 31 days of a special eligibility situation.

	With Pretax feature	Without Pretax feature	Pretax feature advantage
<b>Gross monthly pay<sup>1</sup></b>	\$3,750.00	\$3,750.00	
<b>State retirement contribution (9%)</b>	- \$337.50	- \$337.50	
<b>Pretax payroll deductions<sup>2</sup></b>			
<b>State Health Plan Standard Plan</b>	- \$143.86	- \$0.00	
<b>Dental Plus</b>	- \$80.92	- \$0.00	
<b>State Vision Plan</b>	- \$13.54	- \$0.00	
<b>Optional Life</b>	- \$3.00	- \$0.00	
<b>Taxable gross income</b>	\$3,171.18	\$3,412.50	\$241.32
<b>Estimated payroll taxes (27%)<sup>3</sup></b>	<b>-\$856.22</b>	<b>-\$921.38</b>	<b>\$65.16</b>
<b>Payroll deductions<sup>2</sup></b>			
<b>State Health Plan Standard Plan</b>	- \$0.00	- \$143.86	
<b>Dental Plus</b>	- \$0.00	- \$80.92	
<b>Vision</b>	- \$0.00	- \$13.54	
<b>Optional life</b>	- \$0.00	- \$3.00	
<b>Monthly take-home pay</b>	<b>\$2,314.96</b>	<b>\$2,249.80</b>	<b>\$65.16</b>
<b>Additional take-home pay per year with Pretax feature</b>			<b>\$781.92</b>

<sup>1</sup>Assumes annual salary of \$45,000.

<sup>2</sup>Employee 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.

<sup>3</sup>Includes state and federal taxes; married, filing jointly.

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