



Town of Arlington
869 Massachusetts Avenue
Arlington, Massachusetts 02476

TO: All Employees of the Arlington Public Schools

FROM: Superintendent of Schools

**PRE-TAX INSURANCE PREMIUM
PAYMENT ELECTION FORM**

Under *Section 125 of the IRS regulations you can choose to have your insurance premiums, paid through your payroll deductions, pre-taxed. If you choose to have your premiums taken pre-taxed this can result in significant tax savings. Please make your selection and return this form to the Payroll Department.

I **AUTHORIZE** the Payroll Department to deduct an amount equal to the insurance premium I contribute for each pay period and I understand this amount will be withheld from my check on a **pre-taxed basis**.

I have chosen **NOT** to have my premiums taken on a pre-tax basis.

If the payroll office does not receive this form with your packet, you will automatically have your premiums taken **AFTER TAXES**. You have the option of changing this at any time.

Please keep in mind if you choose the pre-taxed option all insurance premiums will be taken pre-taxed. If you choose to have a deduction post-tax (i.e. disability premium) and you are having all other premiums taken pre-taxed, you would need to specify having your disability premium taken post tax. We can accommodate this situation without issue.

Employee Name (please print)

Social Security Number

Employee Signature

Date

* Under current law, individual taxpayers with medical expenses / premiums may deduct them when filing their annual, itemized tax return (Form 1040). These medical expenses are reported on Schedule A. If you are like most people who attempt to take this deduction, you know that only amounts which exceed 7.5% of your Adjusted Gross Income are deductible. Under Tax Flex 125 you can have the full insurance premium tax exempt. This benefit can be realized through your employer sponsored plan. It is not available to you as an individual taxpayer.