

INFINISOURCE PREMIUM ONLY PLAN

A POP keeps more money in your pocket!

The [Infinisource Premium Only plan](#) is an easy and efficient way to pay premiums on a pre-tax basis and reduce your taxes.

A Section 125 Premium Only Plan (POP) allows your employer to convert certain post-tax premiums to pre-tax premiums. It takes a simple payroll change and you are on your way to saving money.

As health care costs soar, a POP provides you with advantages:

- Reduce federal income tax
- Reduce Social Security tax
- Reduce state tax (subject to state guidelines)
- Increase take-home pay
- Reduce overall cost for premiums

The following benefit plan options can be paid pre-tax through a POP:

- Health insurance
- Vision insurance
- Group term life*
- Cancer insurance (indemnity plans)**
- Dental insurance
- Health Savings Account contributions
- Accidental death and dismemberment insurance
- Disability insurance***

Employee savings	Without POP	With POP
Income	\$20,000	\$20,000
Annual pre-tax premiums	\$0	\$2,000
Taxable income (30%)	\$20,000	\$18,000
Estimated taxes	\$6,000	\$5,400
Post-tax premium deductions	\$2,000	\$0
Take-home pay	\$12,000	\$12,600

Take-home pay increased \$600!

*Group Term Life insurance has a limit of \$50,000 that can be paid on a pre-tax basis. Dependent life insurance must be paid on an after tax basis. **Indemnity plans with a return of premium or benefit building coverage cannot be paid for on a pre-tax basis. ***If the Disability Insurance is paid on a pre-tax basis, benefits are taxable to the employee in most cases. It is recommended this benefit not be included on a pre-tax basis.