



Premium Only Plans

Save while improving employee benefits

A Premium Only Plan (POP) helps businesses and employees reduce their tax expenses by allowing employees to pay part of their health insurance premiums with pre-tax dollars. Typical eligible premiums include: Health, Dental, Vision, Disability and Life insurance.

EXPERIENCE THE BENEFITS

For your business:

- Lower payroll tax expenses
- Reduce Social Security and Medicare expenses
- Offset the cost of benefit premiums

For your employees:

- Reduce taxable salary
- Increase the percentage of take-home pay

THE ADP® PREMIUM ONLY PLAN

Using ADP's Premium Only Plan, you receive the following support and ongoing services:

- Plan documents & amendments
- Enrollment materials
- Deduction management
- Compliance testing documents
- Dedicated service representatives

And more!

CALCULATE THE TAX SAVINGS A PREMIUM ONLY PLAN MAY BRING YOUR COMPANY

	Example 1	Example 2	Your Info
Total Number of Employees	10	50	
Estimated Annual Premium per Employee	x \$2,000	x \$2,000	
Total Annual Premium	\$20,000	\$100,000	
FICA Rate	x7.65%	x7.65%	
Annual FICA Tax Savings	\$1,530	\$7,650	

Note: Employers adopting POP may also be able to save on federal unemployment taxes as well as state employment taxes in many states

GET MORE WITH ADP® PAYROLL

Integrate your POP set up and deductions with your payroll processing and receive the following compliance tests free of charge*:

- Key Employee Concentration
- Nondiscriminatory Classification – Eligibility

Call to learn more: (855) 237.5335.

*Testing available to certain ADP payroll clients. Restrictions do apply.

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