

# Add **MORE** pay less.

Every business worries about how the numbers are affecting their bottom line. Whether it's growing your latest sales numbers or trying to minimize your expenses, one number that you want to be sure to focus on is "125." With profits shrinking and costs rising, employers are taking a second look at their Section 125 Plan to see if they are taking full advantage of this tax code.

## Maximize Your Plan

It's not often that you can add more and pay less at the same time, but it's a reality when it comes to maximizing your Section 125 Plan. By adding Flexible Spending Accounts (FSAs) to your Section 125 Plan, you can increase your savings by decreasing your taxable payroll cost. The more employees you have participating in a Health FSA and/or Dependent Day Care Account, the more dollars you're putting into your bottom line. So not only can your employees save money, but you'll see tax savings as well.

Health FSAs and Dependent Day Care Accounts allow your employees to direct a part of their pay, on a pre-tax basis, into a special account that can be used throughout the year to reimburse them for eligible medical expenses and/or day care costs. Because their money goes into these reimbursement accounts before FICA, and federal and state income taxes are withheld, you pay less payroll taxes\*. It's that simple.

Your employees are your most valuable asset, but in today's economic climate you may not be able to afford increasing their salary. However, by maximizing your Section 125 Plan you can increase their take-home pay and/or give them additional benefit dollars.

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## Don't Go It Alone

MAC's relationship with American Fidelity Assurance Company gives you access to one of the industry's leading Section 125 Administrative Service providers. Their 25 plus years of experience has earned them a level of professionalism that you can rely upon.

They offer FSA recordkeeping services, Health FSA Debit Cards, and a uniform risk coverage policy for Health FSAs. The uniform risk coverage allows you to increase your employees' FSA contribution maximum, while limiting your exposure on any unpaid contributions. As part of our services, they ensure resources are in place to cover your employees full expense reimbursements, even if their account has not accrued enough money to pay the expense.

Partnering with American Fidelity gives you an array of employee benefit options through:

- A broad portfolio of supplemental insurance products,
- Administrative Services that include Section 125 Administrative Services\*\*, Flexible Spending Accounts, and Health Savings Accounts, and
- Enrollment solutions that include individual benefit counseling, group education meetings, electronic benefit enrollment, and enrollment reviews.

To learn more about maximizing your Section 125 Plan today and the advantages of partnering with American Fidelity call:



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\* Please consult a tax advisor for information regarding your specific tax situation.

\*\* American Fidelity is a Section 125 Plan service provider, but not the Section 125 Plan Administrator.