



Fringe Benefit Matrix

The chart below can be used as a guide for understanding the federal tax status of common fringe benefits. It provides a reference for use in preparing employee W-2 Forms.

EMPLOYMENT TAX PROVISIONS	FEDERAL TAXABLE	FIT W/H	FICA W/H	SUBJECT TO FUTA
Auto - Personal Use	Yes	Optional	Yes	Yes
Bonuses	Yes	Yes	Yes	Yes
Christmas Gifts (other than non-cash gifts of nominal value)	Yes	Yes	Yes	Yes
Club Dues	Yes	Yes	Yes	Yes
Commissions	Yes	Yes	Yes	1
Disability Insurance Premiums Paid by Employer	No	No	No	No
Sick or Disability Payments	2	Yes	3	3
Qualified Cafeteria Plans	No	No	No	No
Health Insurance Premiums (including dental & vision) paid by employer	No	No	No	No
Non-qualified Deferred Compensation	Yes	Yes	Yes	Yes
Group Term Life In Excess of \$50,000	Yes	No	Yes	4
Employer Paid Premium on Individual Life Insurance Policies	Yes	Yes	4	4
401K & SEP (Employee Elective Deferral)	No	No	Yes	Yes
Exceptions for S Corp. Shareholder Health Insurance	Yes	Yes	No	No
Cafeteria Plans	Not Permitted To Participate			
Disability Insurance	Yes	Yes	No	No

1. Yes, unless the commission is paid to an insurance agent or solicitor who is paid solely by commission.
2. Yes, except for: workers compensation benefits; employer reimbursements for medical expenses from a fully insured plan or a nondiscriminatory self-insured plan; payments unrelated to an employee's absence from work (such as a fixed sum paid for a loss of a limb); damages on account of personal injury; and payments attributable to employee contributions.
3. Yes, through first six full calendar months following employee absence.
4. No, if the benefit is provided by a plan.