

***Employee's Taxable Cost Worksheet of Group Term Life Insurance for the Year 20__**
 (Applicable to any employee whose total Group Term Life Insurance exceeds \$50,000)

Name of Employee _____

Attained age on the last day of his/her taxable year (De. 31) _____

Month	Amount of insurance in excess of \$50,000	Instructions																												
January	\$ _____	For each month, list the amounts of insurance in excess of \$50,000 only; e.g., if the insurance in January is \$60,000, enter \$10,000 For any month where the amount of insurance varied because of a change in classification, etc., list the average of the excess amount at the beginning and at the end of that month; e.g., if in February the amount of insurance was increased from \$60,000 to \$70,000, enter \$15,000.																												
February	\$ _____																													
March	\$ _____																													
April	\$ _____																													
May	\$ _____																													
June	\$ _____																													
July	\$ _____																													
August	\$ _____																													
September	\$ _____																													
October	\$ _____																													
November	\$ _____																													
December	\$ _____																													
(A) Total	\$ _____																													
(B) Cost per \$1,000 (use table at right)	\$ _____	<table border="0"> <tr> <td>Age</td> <td>Cost per \$1,000</td> <td>Age</td> <td>Cost per \$1,000</td> </tr> <tr> <td>Under 25.</td> <td>\$.05</td> <td>50 to 54.</td> <td>\$.23</td> </tr> <tr> <td>25 to 29.</td> <td>.06</td> <td>55 to 59.</td> <td>.43</td> </tr> <tr> <td>30 to 34.</td> <td>.08</td> <td>60 to 64.</td> <td>.66</td> </tr> <tr> <td>35 to 39.</td> <td>.09</td> <td>65 to 69.</td> <td>1.27</td> </tr> <tr> <td>40 to 44.</td> <td>.10</td> <td>70 or over</td> <td>2.06</td> </tr> <tr> <td>45 to 49.</td> <td>.15</td> <td></td> <td></td> </tr> </table>	Age	Cost per \$1,000	Age	Cost per \$1,000	Under 25.	\$.05	50 to 54.	\$.23	25 to 29.06	55 to 59.43	30 to 34.08	60 to 64.66	35 to 39.09	65 to 69.	1.27	40 to 44.10	70 or over	2.06	45 to 49.15		
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(C) Total Cost	\$ _____	(A) x (B)																												
(D) Total contributions by employee	\$ _____	Include all of the employee contributions made during the year for his/her total group term life insurance, whether or not listed above																												
(E) Taxable Cost	\$ _____	(C) - (D) If negative, enter "0"																												

Date _____

Note:

- This form is provided by IBIS as a service.
- The instructions are based upon our understanding of current law, regulations and ruling all of which are subject to change.
- The applicability to any individual situation of the methods suggested by this form and a policyholder's calculations produced thereby are of course subject to the acceptance of the tax authorities.

DEPENDENT LIFE EXAMPLE:

Assume an employer-paid plan providing coverage of \$10,000 for the spouse and \$5,000 for each child.

Jane covers her 42 year old husband and their three dependent children under her employer-paid Dependent Life plan. The coverage is in effect for the entire 12 calendar months.

TABLE I						
Monthly rate Per \$1,000 of Coverage	X	Months of coverage in Calendar year	X	# of 000's coverage Income	=	2009 Taxable income
Spouse .10		12		10.0		\$12.00
Child 1 .05		12		5.0		3.00
Child 2 .05		12		5.0		3.00
Child 3 .05		12		5.0		<u>3.00</u>
TOTAL TAXABLE INCOME						\$21.00

We hope this information proves to be useful. If you should have any questions concerning the above, please call us at 1-800-258-1415, option 2.