



ROSEVILLE HIGH SCHOOL DISTRICT
BUSINESS SERVICES
(916) 782-5096, FAX (916) 786-2681

MEMORANDUM

November 3, 2015

TO: All Employee Groups

FROM: Joseph Landon, Executive Director of Business Services

SUBJECT: Payroll Reporting of Life Insurance Valuation on Paychecks and W-2

The District provides a \$70,000 group life insurance plan to employees eligible for benefits at no cost.

Internal Revenue Service (IRS) rules require a value be assigned to life insurance policies in excess of \$50,000. This value is recorded as a taxable income amount to you. The value is also subject to FICA and Medicare tax, if you are subject to those taxes. The value is computed using the IRS formula and is added to your paycheck. The Payroll system then calculates the additional taxes for which you are responsible.

You can find this taxable amount in the pay detail section of your paycheck with the description **GTLI>50K** (abbreviation for "Gross Taxable Life Insurance above \$50,000"). This life insurance valuation will also be reflected on your W-2 as taxable wages in boxes 1 and 13. The value is not cash to you.

Please do not hesitate to contact James Elkins (Payroll A-K, Ext.1030) or Justine Hunkins (Payroll L-Z, Ext. 1023) in the Payroll Department if you have any questions.