

ATTACHMENT TO SERVICE REQUEST #14865

AGE BRACKET & TAXABLE LIFE PREMIUMS (TLP)

2/5/02

1. INTRODUCTION

In 1999 the Internal Revenue Service (IRS) modified Internal Revenue Code (IRC) Section 79 to lower the rates for the uniform premium table for group life insurance and to add an age bracket for those under 25 years of age. However, we were not required to make this change since the final regulations provided for a special effective date of January 1, 2003 for those employers who had an "employee-pay-all" plan and had not previously been subject to Section 79 requirements.

2. COMPUTE

During the process for calculating both the Senior Management taxable life imputed income and the employee-paid life insurance premium, the program utilizes the employee's age as of 1/1 (EDB0254). This process must be modified to access the new age bracket if the employee's 1/1 age is less than 30.

3. FORMS

(a) Taxable Life Premium Table (UPAY681)

The Taxable Life Premium Table must be modified to include an additional age bracket for those under 25 years of age. See Attachment 1 for a sample. The card columns for each of the age brackets need to be shifted to the right by 4 spaces.

(b) Benefit Rates Table - Group Life Insurance (UPAY549A)

This table must be modified to include an additional age bracket for those under 25 years of age. See Attachment 2

for a sample. The card columns for each of the age brackets need to be shifted to the right by 4 spaces.

4. REPORTS

(a) Taxable Life Premium (TLP) Table PPP5605

See Attachment 3 for a sample report.

(b) Benefits Rate Table (14) PPP0114

See Attachment 4 for a sample report.

5. IMPLEMENTATION

These changes must be implemented in time for processing table updates for January 2003 premium deductions.



PAYROLL / PERSONNEL
 TAXABLE LIFE PREMIUM TABLE
 UPAY 681 (R4/89)

UNDER
 25
 & 11
 ↓

A / D	RATE TYPE			
1	2	4		

25 - 29 - UNDER 30	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 AND OVER
8 11	12 15	16 19	20 23	24 27	28 31	32 35	36 39	40 43	44 47
12 15	16 19	20 23	24 27	28 31	32 35	36 39	40 43	44 47	48 51
■	■	■	■	■	■	■	■	■	■
■	■	■	■	■	■	■	■	■	■
■	■	■	■	■	■	■	■	■	■
■	■	■	■	■	■	■	■	■	■
■	■	■	■	■	■	■	■	■	■
■	■	■	■	■	■	■	■	■	■

RATE TYPE VALUES

- I R S • ← I.R.S BASE RATES
- O O • ← STANDARD UC LIFE (MODIFIED) RATES
- X X • ← EUC STANDARD LIFE (MODIFIED) RATES: "XX" = EUC

PREPARED BY	DATE
AUTHORIZED BY	DATE



PAYROLL/PERSONNEL
 BENEFIT RATES TABLE - GROUP LIFE INS
 UPAY549A (R9/97) R1140

GROUP LIFE INSURANCE

A / D	LINE NUMBER	GROUP LIFE FLAT RATE COVERAGE AMOUNT	GROUP LIFE MAXIMUM SALARY BASE	DEPENDENT LIFE					B U C	R E P	S H C	D H C	EARNINGS EFF. DATE MM DD YY
				EXPANDED PLAN									
				FLAT RATE COVERAGE AMOUNT	SPOUSAL MAXIMUM	CHILD RATE							
1	2 3 4 8	10 12	13 15	30 32	33 35	36 39						61 62 63 64 65 66 71	
	14 GLI00												

A / D	LINE NUMBER	PLAN	UNDER	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69	70 AND OVER	B U C	R E P	S H C	D H C	EARNINGS EFF. DATE MM DD YY	
			10 25-29	14	18	22	26	30	34	38	42	46						50
1	2 3 4 8		10 14	14 17	18 21	22 25	26 29	30 33	34 37	38 41	42 45	46 49	50 53					61 62 63 64 65 66 71
	14	GLI01	GROUP LIFE RATE PER THOUSAND															
	14	GLI02	DEPENDENT LIFE RATE BASIC PLAN															
	14	GLI03	DEPENDENT LIFE RATE EXPANDED PLAN															

UNDER 25
10 13

PREPARED BY:	DATE
AUTHORIZED BY:	DATE

BARG UNIT: 00 REP: SPCL HNDLG: DIST UNIT:

EARNINGS EFFECTIVE DATE: 00/00/00

SUPPLEMENTAL LIFE

LINE NO	RATE CATEGORY	<i>UNDER 25</i>	<i>UNDER 25-29</i>	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70 AND OVER	FLAT RT COV (X 1000)	SPOUSE LIMIT (X 1000)	CHILD RATE	MAXIMUM SALARY BASE (X 1000)
01	GROUP LIFE (RATE/1000.00 COVERAGE)	<i>.044</i>	.044	.051	.063	.099	.172	.279	.441	.694	1.058	1.911	20			
02	DEPENDENT LIFE RATE: BASIC PLAN	<i>.62</i>	.62	.62	1.10	1.22	1.49	1.70	1.70	1.70	1.70	1.70	5			
03	DEPENDENT LIFE RATE: EXPANDED PLAN	<i>.036</i>	.036	.045	.054	.090	.207	.288	.486	.513	.792	1.395		200	0.36	
																250

ATTACHMENT 4