

Section 125 Plan

Pre-tax Premium Payment Plan

As a participant in the Section 125 pre-tax premium Payment Plan, you will pay your premium for the Town's group health and/or dental insurance plan for the year with before-tax dollars instead of after-tax dollars. This will result in increased take-home pay since you will be paying Federal and State income taxes (and for some, Medicare) on a smaller annual pay.

Employees are required to complete an Election Form when you first enroll in the medical and/or dental plan coverage. If form is not returned to the Personnel Office along with your insurance enrollment form then the Town will assume you wish to participate in the Before-Tax Health Care Premium Plan. The Town will not require annual enrollment once you have enrolled in the plan. You will remain enrolled until you waive participation during an open enrollment period each May. Employees who enroll in the plan will only be allowed to discontinue the plan (i.e. drop your insurance coverage at open enrollment or for qualifying reasons set forth by the IRS). For more information please contact the Personnel Office at 508-660-7294.