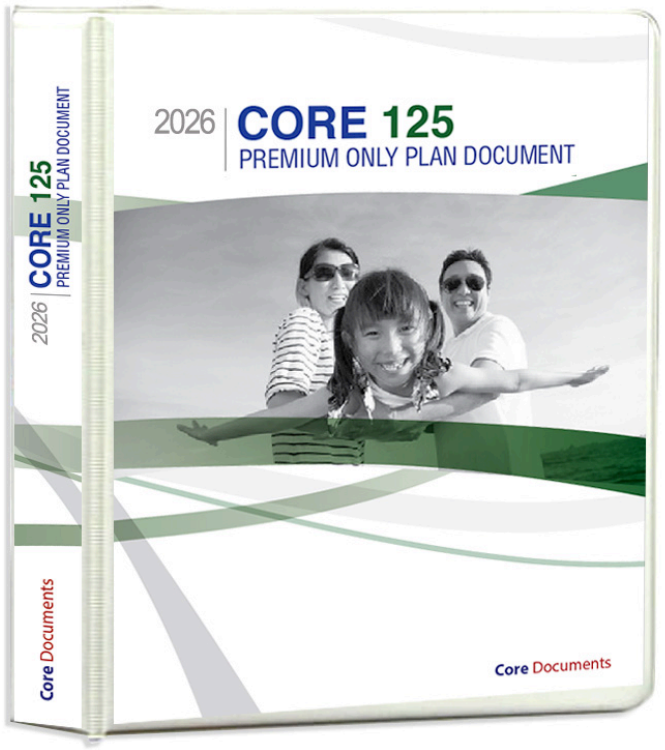
Core 125 | Premium Only Plan Document



SAVE BIG with TAX-FREE Life & Health Insurance

Core 125 POP package brings big tax savings for only $149[1]

Employers can save money by eliminating payroll taxes on health and supplemental insurance premiums paid by their employees through a Section 125 Premium Only Plan (POP).

The Core 125 POP package from Core Documents, the trusted source for affordable plan documents for over 28 years, helps you set up a plan for just $149.

Pre-Tax benefits

Section 125 of the Internal Revenue Code (IRC) allows employees to elect a tax-free way to pay for qualifying insurance premiums that reduces income and payroll as follows:

- Employers save up to 8% in FICA and other payroll taxes on premiums employees pay into the plan.
- Employees get up to 40% in income and payroll tax savings on health insurance and other premiums paid.

Cafeteria-style benefits

With a Core 125 POP, employees can eliminate all taxes on group health as well as term life, dental, vision, disability, accident, hospital indemnity, cancer and other supplemental insurance premiums, all on a tax-free basis.

See our brochures for tax-free ways to pay for HSA savings, medical, dental, vision, dependent daycare, transit and parking expenses at Core FSA, Core HSA, Core DCAP, and Core 132.

See the savings

The table below shows how tax savings from a Section 125 POP can significantly increase an employee's take-home pay.

Per Bi-Weekly Pay Period	Regular	With POP
Gross Pay	$ 1,385	$ 1,385
Pre-tax Health Insurance Premium	--	300
Net Taxable Income	$1,385	$1,085
Federal Income Tax (20% rate)	277	217
Social Security (FICA; 7.65%)	105	83
State Income Tax (2%)[2]	28	22
Net Income after Taxes	$ 975	$ 763
After-tax Health Insurance Premium	300	--
Net Pay	**$ 675**	**$ 763**
Net Tax Savings with Core 125 POP	--	$ 88

A benefit plan that pays for itself

The Section 125 POP actually pays for itself by eliminating all payroll taxes on benefit premiums for both the employee and employer.

The employer's matching FICA tax savings from the example above comes to $572 annually ($22 x 26 pay periods) -- almost 4 times the $149 cost of a Core 125 POP package -- on one employee alone.

Footnotes:

[1]Core 125 POP document package in standard .pdf format.
[2]Deductible in most states.

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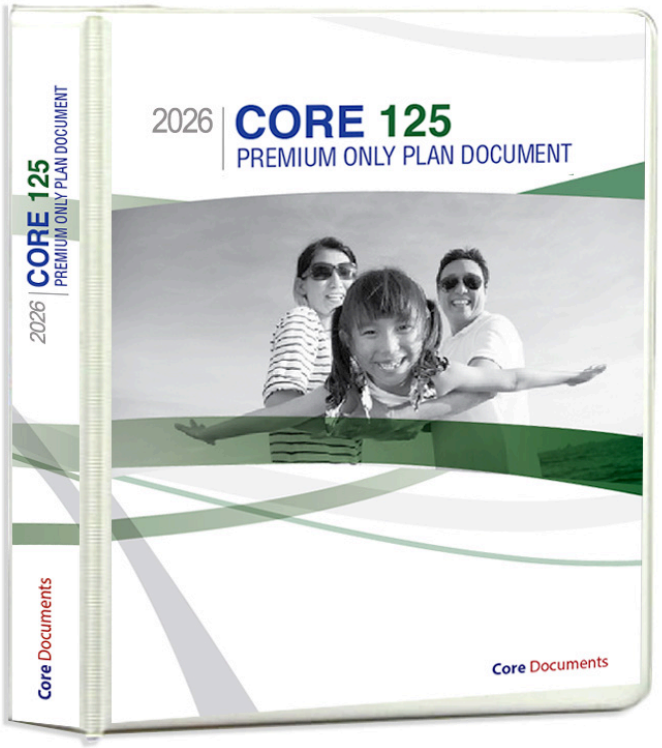

Tax savings on group health insurance plus custom plan design

Establishing a Section 125 POP allows an employer of any size to offer tax-free group health and supplemental insurance premium just like much larger companies.

Flexible Spending Accounts (FSAs)

Help employees cover other out-of-pocket expenses tax-free such as Health Savings Account (HSA) deductions, medical, dental & vision expenses with health FSA, daycare expenses with a dependent care FSA, or parking & transit expenses. Any or all are options for more tax-savings when you order a Core 125 package. See the pricing on page 4.

Visit Us Online

Order your Core 125 plan document package today at www.core125.com.

To see all of our products and services, visit us at www.coredocuments.com.

Set up a Core 125 POP in 3 easy steps

1. Design your plan:

- Choose your plan year according to the calendar (Jan-Dec) or your tax year (Jul-Jun, for example) -- a short plan year is available for the first year; and,
- Set eligibility and waiting period, and add optional flex modules. The enclosed worksheet takes you through it step-by-step.

2. Order your plan:

- Place your order for the Core 125 plan document package at www.core125.com.
- Your personalized plan document package arrives at your inbox within a business day.

3. Start your plan:

- Print, review, and sign the plan document where indicated;
- Give a copy of the participant packet to each eligible employee; and then,
- Keep the Core 125 plan document on file with other personnel paperwork -- there is no requirement to file the plan document with any agency.

Section 125 POP FAQ's

What businesses can have a Section 125 POP?

C Corps, S Corps, LLCs, partnerships, sole proprietorships, and non-profits with as few as 1 employee.

Who can participate in a company's plan?

Employees can participate based on eligibility criteria the employer selects. The IRC prohibits owners such as a sole proprietor, partner, members of an LLC (in most cases), or more than 2% owners of an S corporation from participating in the plan. However, the owner still realizes significant and on-going payroll tax savings.

When can a Core 125 POP plan year begin?

A plan year can cover any 12-month period you choose.

I want a January-December plan year, but it's July -- do I have to wait until the end of the year to start my plan?

No. The first year of a Section 125 POP can be a short plan year running from the current month through the last month of the desired plan year. In this case, the first plan year would probably run August 1 through December 31, with all following plan years being the standard January - December.

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If you have questions while completing this worksheet, please call us at 1-888-755-3373.

Ordering Information Worksheet

This form is provided for your convenience while gathering information for the Core 125 document package. It is a fillable PDF form. Click on the line next to "First Name" to begin and then tab from field to field.

When the form is complete, go to www.core125.com to order online.

Purchaser Information (Person buying document for Employer listed below, i.e. Agent, CPA, payroll co., etc.; "N/A" in "First Name" if not applicable.)

First Name _____ Last Name _____
Company _____
Address _____
City _____ State _____ Zip Code _____
Phone _____ Mobile _____ Fax _____
Email _____ Web site _____
Ship Plan Document package to: ☐ Purchaser ☐ Employer

Employer Information for Plan Documents

(Owner/controller, document signer; exactly as it should appear in the plan document.)

First Name _____ Last Name _____
Company _____
Address _____
City _____ State _____ Zip Code _____
Phone _____ Mobile _____ Fax _____
Email _____ Web site _____

Form of Business: ☐ S Corporation ☐ C Corporation ☐ LLC ☐ Partnership
☐ Sole Proprietorship ☐ Government ☐ Non-Profit 501(c)(3)

Employer Fed. ID # _____ State of Incorporation _____ No. of Employees _____

Legal Name(s) of **Affiliated Company(ies)** that will be covered by the Plan (if any):

1) _____
2) _____
3) _____

Plan Administrator

☐ Employer (use 'employer' information, above) ☐ Other (provide information below)

First Name _____ Last Name _____
Company _____
Address _____
City _____ State _____ Zip Code _____
Phone _____ Email _____

Benefit Programs to be Offered

☐ Group Health Insurance ☐ Dental Insurance ☐ Vision Care ☐ Group Term Life (Up to $50,000)
☐ Accident Insurance ☐ Cancer Insurance ☐ Other _____

Effective Date

☐ A new plan with an effective date of _____.
☐ Amend and restate an existing Section 125 POP as of _____.
If this is an amended and restated plan, state the (old) original effective date: _____.

Plan Year The first plan year will be:

☐ A 12-month consecutive period beginning date _____ and ending date _____.
☐ A short plan year beginning date _____ and ending date _____.

Waiting Period Employees are eligible to participate in the plan on: ☐ the 1st day of employment, or ☐ the 1st day following, or ☐ the 1st day of the month following _____ days of employment.

Eligibility Requirements: All employees who work _____ or more hours per week.

Please tell us how you found Core Documents: ☐ Search Engine ☐ Agent ☐ Google Ad ☐ Other _____

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If you have questions while completing this worksheet, please call us at 1-888-755-3373.

Employer:_____

Do you want your Core 125 package in the Deluxe Binder version or the Basic PDF Option?

☐ **Deluxe Binder – New Core Premium Only Plan Document** **$199.00** ☐

In email PDF version processed ASAP, AND Printed in 3-ring binder, with 5 Section tabbed index, shipped via Priority Mail.

OR

☐ **Basic PDF Option - New Core Premium Only Plan Document** **$149.00** ☐

PDF Document Processed Quickly and Sent Via E-Mail

Optional modules and services (can be added to either of the above options):

☐ **HSA Module - pretax HSA savings for additional 7.65% tax savings** **$30.00** ☐

Allows employees to pre-tax Health Savings Account dollars for an additional 7.65% FICA savings (Employer saves matching 7.65% FICA) not available if itemized at year end.

☐ **Plan Document USB Drive Mailed - in addition to PDF email and/or mailed binder** **$25.00** ☐

Documents provided in PDF format only. Forms in MS Word format. Always have a safe backup copy of your plan document on USB Drive.

☐ **Rush Order - Your order automatically queued for immediate processing** **$25.00** ☐

☐ **2nd Year Update - discounted 25% when added to new document order** **$100.00** ☐

This option entitles you to one plan document amendment in the first 24 months. Save 22% off the normal $129.00 update price.

☐ **Health Flexible Spending Account (FSA) Pretax medical expenses** - Save 33% **$100.00** ☐

Save 33% off normal $149 FSA price when added to the Premium Only Plan. Delivered via email in PDF format unless the binder option is chosen above. Choose the standard $3,300 option (2025 plan year) or designate a lower employee contribution limit here. q $3,300 **OR** q Other_____

Please choose option for unused funds at year end: q $660 Carryover q 2.5 Month Grace Period

Protected Health Information (PHI) Designee Name:_____

☐ **Dependent Care Assistance Plan (FSA) Pretax childcare** - Save 33% **$100.00** ☐

Save 33% off normal $149 DCAP FSA price when added to the Premium Only Plan. DCAP employee contributions set at $5000 by the IRS. Delivered via email in PDF format unless the binder option is chosen above.

Update and Amend a plan document originally produced by Core Documents:

☐ **Update/Amend a Premium Only Plan Document** **$129.00** ☐

☐ **Update/Amend a Health FSA Plan Document** **$129.00** ☐

☐ **Update/Amend a Dependent Care FSA Plan Document** **$129.00** ☐

☐ **Update/Amend any 2 plan combination Document** **$259.00** ☐

☐ **Update/Amend a full 3 plan Cafeteria Document** **$299.00** ☐

All Updated/Amended documents delivered via email in PDF format.

TOTAL $ TOTAL

Core 125 | Premium Only Plan Document

If you have questions while completing this worksheet, please call us at 1-888-755-3373.

Invoice me via email, please complete the following:

Company Name: _____ **Contact:** _____

Email Address for Invoice: _____

If paying by check, please complete the following:

Your order can be processed with the following checking account information and authorization.

Name as it appears on your check:

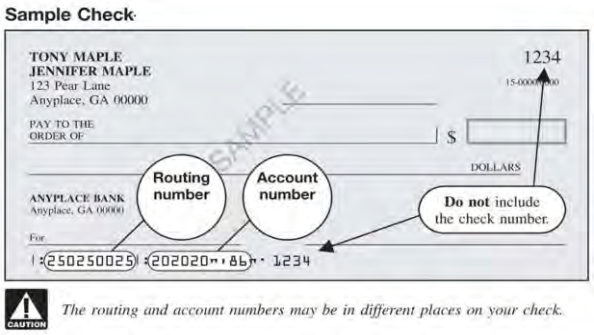
_____

Bank Name: _____

Bank Routing Number: _____

Bank Account Number: _____

Total amount to be charged: $_____



X_____ Date: _____
Signature

If paying by credit card, please complete the following:

Card Number: _____

Expiration Date: ____ /____

Total amount to be charged: $_____

Name as it appears on card: _____

X_____ Date: _____
Signature

Refund Policy: Purchaser understands that goods and services provided by Core Documents, Inc. are non-refundable. Orders cancelled prior to sending/shipping are subject to cancellation fees applied to the cost of goods and services provided during the review, draft, and preparation of your order.

Please sign and fax completed form to (941)795-4802. Attach additional pages of plan design information if needed.

Mail: Core Documents, Inc. P.O. Box 14538, Bradenton, FL 34280
Scan and Email: CoreService@CoreDocuments.com
Toll Free Voice: 888-755-3373 Fax: 941-795-4802