



# Premium Only Plans (POP)

Save while improving your employee benefits

## Get more with ADP® Payroll

Integrate your POP with payroll and receive the following compliance tests free of charge\*:

- Key Employee Concentration
- Nondiscriminatory Classification – Eligibility

ADP's Premium Only Plan (POP) helps businesses and employees reduce their tax expenses by allowing employees to pay part of their health insurance premiums with pre-tax dollars. Typical eligible premiums include: Health, Dental, Vision, Disability and Life insurance.

### Experience the benefits

#### For your business:

- Lower payroll tax expenses
- Reduce Social Security and Medicare expenses
- Offset the cost of benefit premiums

#### For your employees:

- Reduce taxable salary
- Increase the percentage of take-home pay

### The ADP® Premium Only Plan

#### Receive the following support and ongoing services:

- Plan documents & amendments
- Enrollment materials
- Compliance testing documents
- Dedicated service representatives

### Calculate the possible tax savings

	Example 1	Example 2	Your Info
Total Number of Employees	10	50	
Estimated Annual Premium per Employee	x \$2,000	x \$2,000	x
Total Annual Premium	\$20,000	\$100,000	
FICA Rate	x7.65%	x7.65%	x
Annual FICA Tax Savings	\$1,530	\$7,650	

Note: Employers adopting POP may also be able to save on federal unemployment taxes as well as state employment taxes in many states. Check with your state and tax representative for more information.

\*Testing available to certain ADP payroll clients. Restrictions do apply.

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