

## Example of Employee Savings

### John Smith: Single, No Exemptions

	<i>Without POP</i>	<i>With POP</i>
Annual salary	\$ 30,000	\$ 30,000
Annual before-tax contributions*	0	- 2,400
Taxable income	30,000	27,600
Estimated taxes (30.65%)**	- 9,195	- 8,460
Annual after-tax contributions	- 2,400	0
Net take-home pay	\$ 18,405	\$ 19,140

**Increase in take-home pay** **\$ 735**

**Percent of premiums offset with tax savings** **30.6%**

\* Based on a monthly premium of \$200.

\*\* Based on an average 20% federal, 7.65% FICA, and 3% state tax rates.

Note: Social security benefits could be affected.

## Calculate Your Estimated Tax Savings

Total annual premium contributions	\$ _____
Estimated taxes*	x .3065
<b>Total annual estimated tax savings</b>	<b>\$ _____</b>

\* Based on 20% federal, 7.65% FICA, and 3% state tax rates (varies by state).

Note: Actual savings may vary depending on your specific tax situation.

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