



Employee Benefits Human Resources Department

A Section 125 Cafeteria Plan is part of the IRS code that allows employers to deduct the employee's portion of their insurance premiums (medical, dental, vision, health savings account, and flexible spending accounts) before taxes are calculated. This reduces the employee's taxable income.

Section 125 only allows changes to these insurance benefits during the annual enrollment period or when the employee has a qualifying event. Qualifying event changes must be initiated within 30 days of the date of the event. The following are eligible events.

- Change in legal marital status (marriage, divorce, legal separation, or annulment)
- Change in the number of eligible tax dependents
- Birth of a child, death of a child, adoption or placement for adoption
- Death of an eligible dependent
- Termination of employment (employee, spouse, or dependent child)
- Commencement of employment (spouse or dependent child)
- Reduction in work hours for (employee, spouse, or dependent child)
- Dependent ceases to be eligible because of age
- Spouse's annual enrollment period

To notify Human Resources of a qualifying event, please call the Benefits Analyst at (623) 237-7149 or email benefitsinfo@gesd40.org.

For more information on Section 125 Cafeteria Plans please visit the IRS website at www.irs.gov.