



State Plan Tax Status for Your Covered Spouse or Domestic Partner

December 12, 2017

ACTION MAY BE REQUIRED!

The State of Montana is required by the Internal Revenue Service (IRS) to apply the proper tax treatment (pre or post tax) to the State of Montana Benefit Plan (State Plan) monthly benefit contributions for the State Plan benefits in which a spouse or domestic partner is enrolled.

The qualification of a spouse or domestic partner for tax purposes does not affect their eligibility for State Plan benefits (medical, dental, or vision plans), but it does impact the tax treatment of the monthly benefit contributions required for those plans.

Effective January 1, 2018, the monthly benefit contribution for a spouse will default to a pre-tax status and the monthly benefit contribution for a domestic partner will default to a post-tax status. If, based upon your specific circumstances, you do NOT want your spouse or domestic partner's contributions to default as stated, you will need to contact the Health Care & Benefits Division (HCBD) by December 20, 2017 to change the default election for the 2018 Plan Year.

Monthly benefit contributions for a non-tax dependent (i.e. your domestic partner) must be paid post-tax. The State Plan will also add the fair market value of the monthly benefit contribution provided by the State of Montana (i.e., the employer contribution) to your taxable income. Then, benefits provided by the State Plan (medical, dental, or vision) for your non-tax dependent will not be considered taxable income to you.

A flowchart is available on the Health Care & Benefits Division website, www.benefits.mt.gov/Forms, to assist you in determining and verifying the tax status of your spouse or domestic partner. We also recommend you consult with your tax advisor regarding your specific circumstances.

Again, if you do NOT want your spouse or domestic partner's contributions to be defaulted as outlined above, you must contact the Health Care & Benefits Division (HCBD) by December 20, 2017 to change the default election for the 2018 Plan Year at (800) 287-8266, (406) 444-7462, TTY (406) 444-1421, or benefitsquestions@mt.gov.

State of Montana Health Care & Benefits Division

Call (406) 444-7462 or Toll-Free (800) 287-8266

Hearing Impaired TTY (406) 444-1421 - Fax (406) 444-0080

Email benefitsquestions@mt.gov

PO Box 200130, 100 N. Park Avenue, Suite 320, Helena, MT 59620-0130

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Non-Discrimination Notice: The State of Montana Benefit Plan complies with applicable Federal civil rights laws, state and local laws, rules, policies and executive orders and does not discriminate on the basis of race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status or marital status. 45 C.F.R. § 92.8(b)(1) and (d)(1)

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-855-999-1062 (TTY: 1-855-999-1063).

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-855-999-1062 (TTY: 1-855-999-1063).