

GTL – Imputed Tax Value Table

Life Insurance Rate Table Used by IRS for Taxable Fringe Benefit Computation.
This is for the amount of Group Term Life Insurance **over** \$50,000 and is the monthly charge per \$1,000 of excess coverage. (Divide by two for the per pay amount).

AGE	Rate/ \$1,000 of Coverage over \$50,000
Under 25	\$.05
29	\$.06
34	\$.08
39	\$.09
44	\$.10
49	\$.15
54	\$.23
59	\$.47
64	\$.66
69	\$1.27
Over	\$2.06

NOTE: The Imputed Value is added on to your pay under the code “GTL”, but this is not the cost to you but rather the TAX on this amount.

EXAMPLE: 37 year old employee earning \$40,000/yr has 3.5 times salary for coverage of \$140,000. That is \$90,000 over the \$50,000 threshold and at a rate of \$.09 per \$1,000/mo (see chart above), the Imputed Taxable Value of the excess coverage would be $90 \times \$.09 = \$8.10/\text{mo}$ or \$4.05 per pay. This amount is added to the pay then taxed and then removed, so the tax “cost” for this coverage (based on a 10% Federal Tax rate, 7.65% FICA rate and 5.3% State rate) would only be about **93 cents** tax “cost” per pay.

NOT BAD FOR THAT AMOUNT OF COVERAGE