PEOPLE & CULTURE

Benefits

Determining Dependent Status of a Domestic/Civil Union Partner

While F5's health plan allows an employee to insure their Domestic/Civil Union Partner ("Partner"), the premium F5 pays for these individuals is taxed as income, and the amount the employee pays for their insurance is deducted on a post tax basis. However, if these individuals meet certain IRS requirements, they may qualify for a more favorable tax status.

If you are enrolling or have enrolled your Partner on F5's health plan, you can use the following worksheet to determine whether they qualify as tax dependent for health coverage purposes under IRC Section 152.

These individuals do not need to qualify as an IRC Section 152 dependent to qualify for coverage under the F5 group health plan; however, they must qualify as an IRC Section 152 dependent to receive health benefits on a tax-free basis. If they do not qualify as an IRC Section 152 dependent, the premium F5 pays for their heath insurance will be taxed and the portion you pay will be deducted post tax.

The following worksheet is modeled on Worksheet 3-1 in the IRS publication 17 and requests historical information to determine whether the individual qualifies as a dependent. This worksheet is to assist you in determining the individual's eligibility under the IRC Section 152 definition of dependent for the sole purposes of enrolling them on the F5 group health plan. Completion of this worksheet should not be construed as tax advice; consult with your tax advisor to determine how this may affect your IRS tax filing. **Do not return this worksheet; it for your own records.**

If you determine that this individual qualifies as a dependent under IRC Section 152, complete the attached Declaration of Tax Status and emailing it to the Benefits Team at Benefits@f5.com.

In the event we do not receive a completed Declaration of Tax Status, we will assume that the individual does not meet the IRC Section 152 definition of a dependent.

If you submit a Declaration of Tax Status certifying that your Partner is an IRC Section 152 dependent, and circumstances change so that is no longer true, it is your responsibility to contact F5's Benefits Team immediately so that we can begin withholding the appropriate tax.

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Worksheet for Determining Dependent Status of Domestic/Civil Union Partner

Do not submit to F5's Benefits Team

Name of Individual: _____

Income

1. Did the individual you supported receive any income such as wages, interest dividends, pensions, rents, social security, or welfare?

☐ Yes (Answer questions 2, 3, 4, and 5.)
☐ No (Skip to question 6.)

2. Total annual income the individual received $ _____

3. Amount of income used for the individual's support $ _____

4. Amount of income the individual used for purposes other than their support $ _____

5. Amount of income they either saved or not used for lines 3 or 4 $ _____

The total of lines 3, 4, and 5 should equal line 2.

Yearly household expenses where you and the individual lived

6. Lodging (Complete either a or b):

   a. Rent paid $ _____

   b. If not rented, show fair rental value of your home
   If the individual you are insuring is your Domestic/Civil Union Partner and they owned the home, include this amount on line 20. $ _____

7. Food $ _____

8. Utilities (heat, light, water, etc. not included in line 6a or 6b) $ _____

9. Repairs that were not included in line 6a or 6b $ _____

10. Other (i.e., furniture). Do not include expenses of maintaining home (i.e., mortgage interest, real estate taxes, and insurance). $ _____

11. Add lines 6a or 6b through 10 $ _____

12. Total number of people who lived in household $ _____

Yearly expenses for the individual

13. Divide line 11 by line 12 to determine each person's part of household expense

$_____ ÷ $_____ = $_____

14. Clothing $_____

15. Education $_____

16. Medical and dental $_____

17. Travel and recreation $_____

18. Other (please specify) _____ $_____

_____ $_____

_____ $_____

19. Total amount spend for the individual's yearly support (add lines 13 through 18.) $_____

20. Amount the individual provided for his or her own support (add lines 3 and 6b, if each is applicable) $_____

21. Amount that others added to this individual's support. Include amounts provided by state, local, and other welfare societies or agencies. Do not include any amounts included on line 2. $_____

22. Add lines 20 and 21 $_____ (Line 20) + $_____ (Line 21) = $_____

23. Amount you provided for the individual's support: $_____ (Line 19) - $_____ (Line 22) = $_____

24. 50% of line 19 $_____

If line 23 is more than line 24, this person qualifies as an IRC Section 152 dependent.

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Declaration of Tax Status for Domestic/Civil Union Partner Insured on F5's Health Plan

I certify that _____ (print individual's name) whom I've enrolled on F5's health insurance as of _____ qualifies as an IRC Section 152 dependent. I will furnish documentation to F5 to substantiate this upon request.

I understand that it is my responsibly to contact F5's Benefits Team immediately in the event circumstances change and they no longer qualify as an IRC Section 152 dependent.

Employee Name (printed as enrolled in plan) _____

Employee Signature _____

Address: _____

_____

Date Signed _____

This document is for informational purposes and should not be misconstrued as legal or tax advice. This document should not be used in lieu of tax counsel and the formal determination of your tax status should be made by a tax professional.