

## Core 105 brings big tax savings for just \$199 one-time fee

One way the self-employed business person can reduce the high cost of health insurance and out-of-pocket medical expenses is to establish a Section 105 Healthcare Reimbursement Arrangement (HRA) One-Person Plan.

HRAs are Medical Expense Reimbursement Plans that allow you to save substantial tax dollars on insurance premiums and out-of-pocket medical expenses not covered by insurance.

Section 105 HRA One-Person Plans are designed specifically for small business owners who are considered self-employed, or the only eligible employee of a Corporation, or who can legitimately hire their spouse.

### Aren't These Expenses Already Deductible by the Self-Employed?

Yes,, however the deductions are limited as outlined below.

- 100% of health insurance premiums are tax deductible for the self-employed. The self-employed can take this deduction whether they itemize or not.
- However, that 100% health insurance deduction only affects income tax. The 15.3% Self-Employment tax is still paid on insurance premiums.
- When an employer has a Section 105 HRA for one spouse/employee (or for themselves, as an employee), virtually all taxes are eliminated on premiums and out-of-pocket medical expenses paid through the HRA, including FICA/payroll taxes.

## AVERAGE SAVINGS

**\$5,000+** annually with an

HRA for **ONE**  
EMPLOYEE OR SPOUSE

## The Core Documents Difference

### Experience

Core Documents, Inc., has been the leader in affordable Plan Document packages since 1997. That's 27 years of helping employers and employees avoid paying taxes on health insurance, flex plans, and other health care benefits.

### Value

At Core Documents, clients pay once for a Plan Document and they own it. Most of our competitors 'rent' their Plan Documents on a yearly basis, requiring an annual update fee.

Truth is, a Plan Document only needs to be updated and renewed when there are sufficient changes in your plan or in tax laws relating to health care to make sense.

Core Documents sends an annual reminder to employers to review their plan for possible changes. We also send alerts when the law changes. And, when there is a need for an update, Core Documents offers the first one at a discount.

### Customization

Some companies offering so-called compliant Plan Documents are really just selling boiler-plate templates. The employer enters information, checks the right boxes, and that's your Plan Document.

One Plan Document cannot fit all employer situations equally well. That's why Core Documents will never sell a template. Our order form gathers all the necessary information about your company and your plan. If anything is unclear or more information is needed, our staff will contact you to ensure you receive a detailed, personalized Plan Document package.



# Core 105 | HRA for One Employee or Spouse

## How to formally hire your spouse or other employee

[Apply for a Federal Employer Identification Number \(FEIN\).](#) You can't be an employer without a FEIN. Apply for the FEIN using IRS SS-4 Form.

[Hiring your spouse or employee is a formal hiring process](#) that should include the completion of a standard Employment Application, W-4 form, and an I-9 form. Core Documents will provide you with a work agreement that outlines the duties and responsibilities of the employee, plus the total compensation package.

[Develop a reasonable compensation for the services provided.](#) Some factors to consider would be wages paid for similar services, experience, qualifications, complexity of the job, and responsibilities. Once you've established a reasonable wage, then determine which insurance and medical expenses that can be deducted. The difference is the reasonable salary that should be set up on a systematic payroll either bi-weekly, monthly or quarterly.

[Notify your health insurance carrier](#) that you will be changing the name of the primary policyholder to the spouse/employee.

[If established for a spouse, they should set up a separate checking account to deposit earnings and medical expenses you've reimbursed.](#) The paycheck and the medical expense reimbursements should be in the employee's name and deposited into their individual or joint account. Don't deposit payroll checks into the business account.

[You should keep records of the hours worked](#) and jobs performed for all employees.

## Set up your HRA in 3 easy steps:

### Design your plan:

- Choose your plan year according to the calendar (Jan-Dec) or your tax year (Jul-Jun, for example) -- a short plan year is available for the first year;
- Determine the rules and limits for your plan -- our order form takes you through it step-by-step; and,

### Order your plan:

- Place your order for the Core 105 plan document package.
- Your personalized plan document package arrives at your inbox within a business day or two.

### Start your plan:

- Print, review, and sign the plan document where indicated;
- Give a copy of the participant packet to each eligible employee; and then,
- Keep the Core HRA plan document on file with other personnel paperwork -- there is no requirement to file the plan document with any agency.

## Visit us online today

Order your Core 105 plan document package today at [www.core105.com](http://www.core105.com).

To see all of our products and services, visit us at [www.coredocuments.com](http://www.coredocuments.com).

## Ordering Information Worksheet

This form is provided for your convenience while gathering information for the Core 105 document package. It is a fillable PDF form. Click on the line next to "First Name" to begin and then tab from field to field.

[When the form is complete, go to www.core105.com to order online.](http://www.core105.com)

### Purchaser Information (Person buying document for Employer listed below, i.e. Agent, CPA, payroll co., etc.;

"N/A" in "First Name" if not applicable.)

First Name \_\_\_\_\_ Last Name \_\_\_\_\_  
 Company \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Phone \_\_\_\_\_ Mobile \_\_\_\_\_ Fax \_\_\_\_\_  
 Email \_\_\_\_\_ Web site \_\_\_\_\_  
 Ship Plan Document package to: ☐ Purchaser ☐ Employer

### Employer Information for Plan Documents

(Owner/controller, document signer; exactly as it should appear in the plan document.)

First Name \_\_\_\_\_ Last Name \_\_\_\_\_  
 Company \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Phone \_\_\_\_\_ Mobile \_\_\_\_\_ Fax \_\_\_\_\_  
 Email \_\_\_\_\_ Web site \_\_\_\_\_

### Form of Business:

- ☐ S Corporation ☐ C Corporation ☐ LLC ☐ Partnership  
☐ Sole Proprietorship ☐ Government ☐ Non-Profit 501(c)(3)

Employer Fed. ID # \_\_\_\_\_ State of Incorporation \_\_\_\_\_ No. of Employees \_\_\_\_\_

Legal Name(s) of **Affiliated Company(ies)** that will be covered by the Plan (if any):

- 1) \_\_\_\_\_  
 2) \_\_\_\_\_  
 3) \_\_\_\_\_

### Plan Administrator

- ☐ Employer (use 'employer' information, above) ☐ Other (provide information below)

First Name \_\_\_\_\_ Last Name \_\_\_\_\_  
 Company \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Phone \_\_\_\_\_ Email \_\_\_\_\_

Protected Health Information (PHI) Designee: \_\_\_\_\_

### Effective Date

- ☐ A new plan with an effective date of \_\_\_\_\_.  
☐ Amend and restate an existing Section 105 HRA as of \_\_\_\_\_.

If this is an amended and restated plan, state the (old) original effective date: \_\_\_\_\_.

### Plan Year The first plan year will be:

- ☐ A 12-month consecutive period beginning date \_\_\_\_\_ and ending date \_\_\_\_\_.  
☐ A short plan year beginning date \_\_\_\_\_ and ending date \_\_\_\_\_.

**Waiting Period:** Employees can participate the ☐ 1<sup>st</sup> day of employment, or ☐ 1<sup>st</sup> day following, or ☐ 1<sup>st</sup> day of month following \_\_\_\_\_ days of employment.

**Eligibility Requirements:** All employees who work \_\_\_\_\_ or more hours per week.

**Please tell us how you found Core Documents:** Search Engine Agent Google Ad Other \_\_\_\_\_

[When the form is complete, go to www.core105.com to order online.](http://www.core105.com)

Employer: \_\_\_\_\_

A Core Benefit Consultant will contact you regarding your custom plan design requests, issues, and design criteria. Please answer all of the following basic design questions that apply to the HRA benefit that you would like to provide.

**Comprehensive Plan Questions:**

Will your HRA plan have an annual benefit limit? ☐ Yes **OR** ☐ No If yes designate the annual limit: \$ \_\_\_\_\_

Will your HRA make the funds available: ☐ Monthly **OR** ☐ Lump Sum

Will your HRA Plan reimburse individual or Exchange insurance premium post-tax? ☐ Yes **OR** ☐ No

Will your HRA carry over unused funds at the end of the plan year? ☐ Yes **OR** ☐ No

Notes

## Core 105 1-Person HRA Plan Document Package Options

**Choose either the 'Deluxe Binder Option' or the 'Basic PDF Option':**



**Deluxe Binder – Core 105 1-Person HRA Plan Document Package** **\$249.00**

In email PDF version processed ASAP, AND Printed in 3-ring binder, with 5 Section tabbed index, shipped via Priority Mail.

**OR**



**Basic PDF Option - Core 105 1-Person HRA Plan Document Package** **\$199.00**

PDF Document Processed Quickly and Sent Via E-Mail

**Options that can be added to the HRA Deluxe Binder or the Basic PDF Option:**

**Plan Document CD Mailed - in addition to PDF email and/or mailed binder** **\$25.00**

Documents provided in PDF format only. Forms in MS Word format.

Always have a safe backup copy of your plan document on CD.

**Rush Order - Your order automatically queued for immediate processing** **\$25.00**

**2nd Year Update - discounted 23% when added to new document order** **\$149.00**

This option entitles you to one plan document amendment in the first 24 months. Save 25% off the normal \$199.00 update price.

**Update and Amend a 1-Person HRA plan document originally produced by Core Documents:**

**Update/Amend Health Reimbursement Arrangement HRA Plan Document** **\$199.00**

All Updated/Amended documents delivered via email in PDF format.

**TOTAL**

**Invoice me via email, please complete the following:**

Company Name: \_\_\_\_\_ Contact: \_\_\_\_\_

Email Address for Invoice: \_\_\_\_\_

**If paying by check, please complete the following:**

Your order can be processed with the following checking account information and authorization.

Name as it appears on the check:

\_\_\_\_\_

Bank Name: \_\_\_\_\_

Bank Routing Number: \_\_\_\_\_

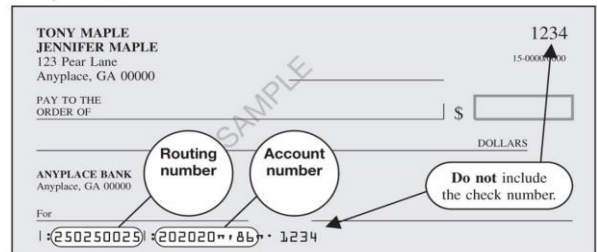
Bank Account Number: \_\_\_\_\_

Total amount to be charged: \$ \_\_\_\_\_

**X** \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Sample Check



The routing and account numbers may be in different places on your check.



**If paying by credit card, please complete the following:**

Card Number: \_\_\_\_\_

Expiration Date: \_\_\_\_ / \_\_\_\_

Total amount to be charged: \$ \_\_\_\_\_

Name as it appears on card: \_\_\_\_\_

**X** \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

**Refund Policy:** Purchaser understands that goods and services provided by Core Documents, Inc. are non-refundable. Orders cancelled prior to sending/shipping are subject to cancellation fees applied to the cost of goods and services provided during the review, draft, and preparation of your order.

Please sign and fax completed form to (941)795-4802. Attach additional pages of plan design information if needed.

Mail: Core Documents, Inc. P.O. Box 14538, Bradenton, FL 34280

Scan and Email: [CoreService@CoreDocuments.com](mailto:CoreService@CoreDocuments.com)

Toll Free Voice: 888-755-3373 Fax: 941-795-4802