

AgriPlan[®]

BIZPLAN[®]

APPLICATION GUIDE

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TASC

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AGRIPLAN/BIZPLAN

WHAT IS IT?

AgriPlan (for farmers) and BizPlan (for small business owners) are Medical Reimbursement Plans based upon Section 105 of the Internal Revenue Code, Revenue Ruling 71-588 and Letter Ruling 9409006. Available to business owners nationwide, this plan is perfectly suited for sole proprietors, corporations, limited liability companies, and partnerships. AgriPlan/BizPlan will increase your business tax deductions by more than \$9,000, saving your family in excess of \$2,000 a year.

HOW DOES IT SAVE MONEY?

This Plan saves substantial tax dollars annually by allowing businesses to deduct 100 percent of their family health insurance premiums and out-of-pocket medical, vision and dental expenses not covered by insurance.

HOW DOES IT WORK?

To qualify, a business owner must be able to legitimately employ his/her spouse, who becomes an employee in the business. The business owner provides a reasonable wage and files certain IRS forms. And AgriPlan/BizPlan's administrative services assist with IRS, DOL and ERISA compliance issues while maintaining a custom-designed benefits plan. With AgriPlan/BizPlan in place, the IRS Section 105 rules then allow full deduction of health insurance premiums and out-of-pocket medical expenses.

THE AUDIT GUARANTEE

AgriPlan/BizPlan stands behind all enrolled Participants who adhere to the Plan's outlined procedures and parameters. If all Plan procedures and guidelines are followed correctly, AgriPlan/BizPlan will assume financial responsibility for 100% of any penalty and/or interest charged as a result of an audit as it pertains to AgriPlan/BizPlan.

WHAT WE DO

Guarantee a professional and efficient set up of your AgriPlan/BizPlan, including all required documentation, and maintenance of the Plan Document, ensuring that all compliance measures are met.

Provide a Participant kit, containing helpful information, details and assistance with enrollment.

Perform a year-end review of expenses claimed for deduction.

Assist annually in making any Plan changes.

Provide toll-free assistance and information during regular business hours.

Provide around-the-clock access to transmittal information via the internet and our voice response system.

Back up your Plan with an Audit Guarantee.

WHAT YOU GET

100% deductibility of family medical insurance and long-term insurance premiums, and of non-insured medical expenses.

Deductibility of term life insurance and disability insurance premiums.

Worry-free administration.

Increased income.

YOUR OBLIGATIONS

Complete the necessary tax forms, working with your tax advisor, if applicable.

Formalize the employment relationship with your spouse.

Establish a checking account for your spouse or family that is completely separate from your business account.

Reimburse eligible employees for family medical insurance premiums, out-of-pocket medical expenses, and other qualified expenses.

Send one form per employee to AgriPlan/BizPlan for our review at year-end.

Keep good records for your business, separate from your personal accounts.

HOW MUCH DOES IT COST?

Annual Administration Fee: \$195

Annual Fee for each employee: \$50

Annual Carryover Fee for each employee: \$25

SAVINGS SNAPSHOT

MULTIPLY ANY OF THESE ESTIMATES...

...BY THE FACTOR APPROPRIATE FOR YOUR INCOME

...TO SEE HOW MUCH AGRIPLAN/BIZPLAN SAVES.

TOTAL ANNUAL QUALIFIED EXPENSES



TAXABLE INCOME FACTOR



ANNUAL TAX SAVINGS

\$4000

.30 [\$0–14,000]

\$4500

.35 [\$14,001–56,800]

\$5000

.45 [\$56,801–114,650]

\$ _____

\$5500

.48 [\$114,651–174,700]

\$6000

.53 [\$174,701–311,950]

\$6500

.55 [\$311,951+]

AGRIPLAN/BIZPLAN PROVIDER CHECKLIST

AgriPlan

BizPlan

1. Qualify prospect

Sole proprietor

Partnership

C Corporation

S Corporation

Limited Liability Company

2. Total compensation to include:

W-2 wages

Term Life Insurance/Disability Insurance (employee only)

Family Medical Premiums

Uninsured Medical Expenses

3. Critical items discussed

A. Reasonable compensation

E. Family medical premiums

B. Separate checking account

F. Uninsured expenses

C. Federal ID number

G. Workers' compensations (if applicable)

D. W-2, W-3, 943/941, I-9

H. Employee's duties/Documentation of work

4. Complete Plan Application

5. Review Client Plan Annually

A. Summary Plan Description

B. Total Compensation Package

C. Employer/Employee Agreement