



**Board of Cooperative Educational Services**  
[www.capregboces.org](http://www.capregboces.org)  
*Leaders for Educational Excellence*

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**MEMORANDUM**

**TO:** Management/Confidential/Program Associates Organizations  
**FROM:** Bruce Bonacquist  
**SUBJECT:** GROUP LIFE INSURANCE  
**DATE:** August 31, 2011

The Federal Omnibus Budget Reconciliation Act requires employers to treat the cost of life insurance which exceeds \$50,000 as wages for FICA purposes, and to withhold FICA and federal income tax on the amount that exceeds \$50,000. Therefore, a process was developed by which the requirements of the Internal Revenue Service will be satisfied on a quarterly basis, rather than the full tax assessment being made during each December.

This withholding procedure will be used during the following 2011-2012 payrolls:

- September 9, 2011
- December 2, 2011
- April 6, 2012
- June 1, 2012

If you have any questions or concerns, please do not hesitate to contact me (464-3902) or Ms. Wendy Ashley (862-4917).

BB/vs

cc: Mr. Mark Jones  
Mr. Robert Zordan  
Ms. Wendy Ashley  
Mr. Adam Hotaling  
Payroll