

SISC FLEX PLAN

AFFIDAVIT OF DEPENDENT DOMESTIC PARTNER STATUS

I declare under penalty of perjury under the laws of the State of California that the statements below are true and correct.

1. _____ is my domestic partner on the date of this Affidavit.
2. I have read the notice entitled "Summary of Tax Treatment of Benefit Coverage Provided for Domestic Partners," and understand the requirements for qualifying another person as my federal tax dependent.
3. The above person qualifies as my federal tax dependent in the current tax year and I expect that he/she will continue to qualify as my federal tax dependent next year and in future tax years.
4. I agree to notify the SISC Flex Plan Administrator in writing as soon as there is any change in the above person's status as my tax dependent.
5. I understand that on the basis of the above statements, the above person will be considered my tax dependent by the SISC Flex Plan for all federal income and employment tax purposes.
6. I agree to reimburse the SISC Flex Plan for any and all taxes, penalties, or other losses (including reasonable attorneys' fees) that the SISC Flex Plan may incur as a result of its reliance on this Affidavit if it is untrue in any respect or if I fail to provide the notice required by paragraph 4 above.

Dated _____

Social Security #

Type or Print Name

Signature

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SUMMARY OF TAX TREATMENT OF BENEFIT COVERAGE PROVIDED FOR DOMESTIC PARTNERS

Domestic Partners Eligible

Group health coverage, including medical and dental benefits, is available for domestic partners of eligible employees. Refer to the applicable summary plan description and enrollment materials for a definition of domestic partner and the procedure you must follow to enroll your domestic partner.

Tax Consequences of Domestic Partner Coverage

Under federal tax law, if your (non-spouse) domestic partner does not qualify as your tax dependent, as defined below, then the portion of the premiums the company pays for the coverage of your domestic partner will be included in your gross income, subject to federal income tax withholding and employment taxes, and will be reported on your form W-2. You will also be unable to claim expenses for the domestic partner under the Health FSA.

Tax Consequences Where a Domestic Partner is Tax Dependent

If your domestic partner qualifies as your tax dependent, then no portion of the premiums paid by the company will be included in your income or be subject to federal withholding or employment taxes.

1. Who is a Tax Dependent?

- Your same-sex or opposite-sex domestic partner can qualify as your tax dependent, under Internal Revenue Code Section 152(a)(9), only if:
- For the entire calendar year in question, he or she lives with you as a member of the household you maintain and occupy;
- During the calendar year in question, you provide more than half of his or her total support; and
- The relationship does not violate local law.

Note that your domestic partner could be your tax dependent even if you do not claim an exemption for your domestic partner on your Form 1040. If your tax year is other than the calendar year, use that year instead.

We will also consider your opposite-sex domestic partner to be a tax dependent if he or she meets the above requirements for the first portion of the year, then you marry, and he or she remains your legal spouse for the remainder of the year.

2. Determining Support

To determine whether you provide more than half your domestic partner's total support you must compare the amount of support you provide with the amount of support your domestic partner receives from all sources, including Social Security, welfare payments, the support you provide, and the support your domestic partner supplies for himself or herself. Support includes food, shelter, clothing, medical and dental care, education, and the like. If you believe you might provide more than half of your partner's support, you should use the support worksheet in IRS Publication 501 (Exemptions, Standard Deductions, and Filing information) before you complete the Affidavit described below.

3. Filing An Affidavit of Dependent Domestic Partner

If your domestic partner qualifies as your tax dependent, you can avoid having company-paid premiums treated as taxable income. To avoid taxation, you must complete and return the attached Affidavit of Dependent Domestic Partner Status. Because the determination of whether a person is a dependent for tax purposes turns on facts solely within your knowledge, the company cannot make this determination for you. If the company does not receive a properly completed Affidavit from you, we will assume that your Domestic Partner does not qualify as your tax dependent.