

IMPORTANT COBRA INFORMATION

If you have 20 or more employees for more than half of last year and a group health plan, then you are affected by the new American Recovery and Reinvestment Act.

COBRA covered employers are **required** to pay 65% of the COBRA Health Insurance Premium if the former employees were involuntarily terminated between September 1, 2008 and December 31, 2009. The employers which pay this premium subsidy can only get credit back through Employer Tax Form 941 filing each quarter by reducing timely deposits or on the quarterly filing.

The ARRA (American Recovery and Reinvestment Act) requires that changes be made on the 941 return beginning with the 1st Quarter of 2009. The information must be provided to PayTime, by the end of each quarter in order to receive the credit. Under the Forms section of the website, there is a COBRA Premium Credit for 941 form that can be used to report this information.

If you would be interested in attending a 2 hour workshop on complying with the ARRA COBRA provisions, please send me an e-mail so that we can follow-up with you ASAP!

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If you have questions, please do not hesitate to give us a call or visit us at www.PayTimePay.com

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