



# EMERGENCY RESPONSE BENEFITS

UNIVERSAL BENEFIT ACCOUNT®

## Work Clothes Account

### What is the Employee Benefit?

A Work Clothes Account can be used to reimburse employees for the clothing and equipment they are required to wear for their profession. This includes necessary uniforms and safety items to be worn, such as protective goggles, face masks, gloves, and/or shoes required to perform their jobs.

### Things to Know:

<b>Plan Design</b>	Employers can set the guidelines for this account in their plan design, such as how much they wish to contribute, when they will make the funds available to their employees, and the eligibility and enrollment requirements.
<b>Eligible Expenses</b>	<ul style="list-style-type: none"> <li>• Work-related clothing or equipment required to be worn as part of their profession.</li> <li>• Uniforms, protective/safety gear, shoes, boots, safety goggles, gloves, etc. – items that are worn by the employee.</li> </ul>
<b>Limits</b>	Employers can set any limit they want for the plan year such as a maximum amount that can be reimbursed to an employee for the year.
<b>Eligibility Requirements</b>	<ul style="list-style-type: none"> <li>• Any employee is eligible to utilize this benefit account.</li> <li>• Employer may choose to designate eligibility by an employee class, such as part-time or full-time status.</li> </ul>
<b>Funding</b>	Employer funded
<b>Enrollment</b>	<ul style="list-style-type: none"> <li>• Enroll all eligible employees in the plan at the beginning of the plan year.</li> <li>• Mid-year enrollments may be allowed, based on plan design set by client.</li> </ul>
<b>Disbursements</b>	<ul style="list-style-type: none"> <li>• Once an expense is verified as being eligible, a reimbursement is made to the employee.</li> <li>• Reimbursement payment to the employee can be used for eligible home office expenses.</li> <li>• Accountable Plans only reimburse employees for business-related expenses as specified in the plan design.</li> </ul>
<b>Tax Benefit</b>	<ul style="list-style-type: none"> <li>• Reimbursements from an Accountable Plan are not taxable for employees.</li> <li>• Employers can write-off their contribution as a business expense and reduce their tax liabilities.</li> <li>• To assure reimbursements are not taxable, IRS Accountable Plan <a href="#">rules</a> should be consulted and applied.</li> </ul>

### Additional Resources

We want to help! You don't need to be a TASC customer to call our hotline or download our helpful documents.

General questions on this benefit	Want to administer this account yourself	Want guidance for your benefits TPA?	Want to have TASC handle this benefit for you?
<p>Call our Special Forces COVID-19 hotline:</p> <p> Call 1-833-433-1002</p>	<p>Download our helpful How-To document:</p> <p><a href="#">Get Started.</a></p>	<p>Share our How-To document with your administrator:</p> <p><a href="#">Get Started.</a></p>	<p>Contact us to do all or part of this work effort for you:</p> <p> 1-888-595-2261, or <a href="#">Get Started.</a></p>



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## Why TASC?

For more than 40 years, TASC has been a leader, an innovator, and a partner of employers committed to ensuring the health, wealth and well-being of their employees and their employees' families and community. TASC was a pioneer in assisting sole-proprietor farmers and small businesses save billions in tax dollars through the adoption of health reimbursement plans; challenging many ill-informed IRS auditors, accountants, and naysayers along the way. TASC, through FlexSystem, brought the idea of a Cafeteria Plans to large and small businesses; challenging the notion that such plans were burdensome, complicated and difficult to administer.

There from the beginning of Section 125, TASC has brought its knowledge and expertise forward with the idea that together we can improve lives of many, strengthen our communities, and make benefits feel like benefits. TASC understands that each employers circumstance is different. TASC offers its guidance based upon the wealth of its experience as an employer and as a benefits administrator. It is not legal or tax advice and should not be taken as such but is offered to prompt knowledgeable inquiry of your plan professionals and provoke thoughtful plan decision making.