

## Student Loan Reimbursement Account

### What is the Employee Benefit?

Employers create a Student Loan Reimbursement Account is an employer-funded employee benefit account which reimburses employees for student loan payments.

### Things to Know:

If you have a Student Loan Reimbursement Account in place for your employees, you need to be aware of the potential suspension of payment for your employees and possibly adjust downward the money allotted for these accounts.



- **Repayment Suspension:** The Department of Education has made it possible for borrowers to suspend their Student Loan Payments through September 30, 2020 without penalty or interest.
- **Employer Payments Now Excluded from Income:** Qualifying student loan repayments of up to \$5,250 annually made by the employer on behalf of an employee are excluded from the employee’s income for income tax purposes.

#### Consider the following:

- Put a Student Loan Reimbursement Account in place to assist your employee on making those student loans during this time of crisis.
- The extension of credit may require compliance with certain applicable regulations.

### 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?  |
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| Call our Special Forces COVID-19 hotline:<br> Call 1-833-433-1002 | Download our helpful How-To document:<br><a href="#">Get Started.</a> | Share our How-To document with your administrator:<br><a href="#">Get Started.</a> | Contact us to do all or part of this work effort for you:<br> 1-888-595-2261, or<br><a href="#">Get Started.</a> |



## 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.