

Annual Affidavit of House Bill 1 Child Status

State of Ohio

County of _____

I, _____ after first being duly cautioned and sworn, state the following:
(print employee name)

- Name of child: _____ (hereinafter referred to as "my child")
- My child date of birth is: _____.
- My child is unmarried;
- My child is 26 or 27 years old;
- My child is my natural child, stepchild or adopted child;
- My child is either (check one):
 - A full time student at an accredited public or private institution of higher education, OR
 - A resident of the state of Ohio;
- My child is not employed by an employer that offers any health benefit plan under which my dependent is eligible for coverage; AND
- My child is not eligible for coverage under the Medicaid program established under ORC Chapter 5111 or the Medicare program established under Title XVIII of the "Social Security Act," 42 USC 1395.

I understand that knowingly providing false or misleading information in this Affidavit may result in any or all of the following actions by the State of Ohio: 1) loss of coverage; 2) disciplinary action, up to and including removal; 3) collection action to recoup payments of benefits and claims paid for individuals determined to be ineligible dependents; and/or 4) civil and/or criminal prosecution.

(Employee ID Number)

(Signature of Enrolled Employee)

Sworn to and subscribed in my presence this
_____ day of _____, 20____.

(notary public)

My commission expires _____, _____.

Recorded in _____ County

Tax Treatment of HB1 Children

There may be tax consequences if a House Bill 1 child is enrolled on your medical plan. The IRS does not permit favorable tax treatment for a dependent or a child (within the meaning of 26 USC 152(f)(1)) who has attained age 27 as of the end of the taxable year.

If the individual has attained the age of 27 by the end of the tax year, you will be taxed on the value of the coverage for that dependent. The state has determined the HB1 rates as the fair market value of dependent coverage. Your total medical deduction, including the deduction for your HB1 child, will be treated as a pre-tax deduction on your paycheck. However, the fair market value of the age 27 child coverage will be included in your gross income and will be subject to federal withholding and FICA and may also impact your municipal and school district income tax liability. The total amount of HB1 deductions taken for age 27 children will be reported on your Form W-2 (State of Ohio income tax is not applicable to the HB1 deduction).

You may wish to consult with an independent tax advisor as to your HB1 child's status under the Internal Revenue Code and accompanying IRS regulations.

2011 Rates	All Health Plans
HB1 dependent rate* (bi-weekly)	\$85.43
HB1 dependent rate* (monthly)	\$192.22

* **Note:** The rate listed is for each HB1 child that you enroll. For example, if you enroll two HB1 children your additional deduction will be \$170.86 if you are paid bi-weekly or an additional \$384.44 if you are paid monthly.