

United HealthCare Required Tax Documentation for Texas

All Businesses of two or more eligible employees must supply the following documentation:

- 1) Most recent Quarterly Wage & Tax Statement, or if not required to file Wage & Tax, we need one of the following:

If a “C” Corporation	Articles of Incorporation, Form 1120 (line 13 is wages) and Payroll
If an “S” Corporation	Articles of Incorporation, Form 1120S (line 8 is wages) and Payroll (<i>Only the <u>shareholders</u> of a “S” Corporation may collect dividends as all or part of their wages.</i>)
If a Partnership	Partnership Agreement, Form 1065 (line 9 is wages) and Payroll (<i>Only the <u>partners</u> of a <u>Partnership</u> can take a draw from the company and still be considered an eligible employee.</i>)
If a Sole Proprietorship	Business License, Form 1040/Schedule C (line 26 is wages) and Payroll (<i>Only the <u>owner</u> of a <u>Sole Proprietorship</u> can take a draw from the company and still be considered an eligible employee.</i>)
If a Church	Form 941 (line 2 is wages) and Payroll
If a Limited Liability	LLC agreement and depending on individual state laws, they may file as a C Corporation or a Partnership. See above for appropriate documentation.

- 2) If the business has been in existence less than one year and not filled a Quarterly Wage Tax, we will accept Corporation of Partnership papers and Payroll.
- 3) Need proof of ownership if group is 5 lives and under or if there is more than one owner.

Note 1: The wages on the payroll must equal at least minimum wage based on full time employment status.

Note 2: New businesses may file the first Quarterly Wage & Tax statements at the end of the first quarter of business. Therefore, proper documentation can be available after the first quarter.

Note 3: We will no longer accept letters on letterhead from employers or accountants as proof.

Underwriting reserves the right to request additional documentation when discrepancies arise.

Sole Proprietorship

In business for less than 3 months:

Business License
Payroll

In business for more than 3 months:

Form 1040	(Individual Income Tax Return)
Schedule E	(Self Employment)
Schedule C	(Profit or Loss from Business)

Note: Sole Proprietor will not appear on Form 941, however, all employees will.

Individual Contractor

Texas 1099 Guidelines

A person who is paid as a 1099 should be treated for insurance benefits the same as a W-2 employee and can be considered eligible for the group plan providing:

1. The 1099 employee works full time/year round for the employer.
2. The employer agrees to contribute the same amount of money towards the premium as he/she is for the taxed employee.
3. The employer agrees to require the same waiting period for 1099 employees as taxed employees.
4. The employer agrees to extend the coverage offering to all 1099 employees in the same employment situation, including future 1099 employees.

Documentation we require for our file: a letter from the employer on company letterhead, listing all 1099 employees and stating that the employer agrees to comply with the aforementioned conditions. In the event there are 1099 employees who do not fit into the new definition of eligible, they should also be listed with the reason for their ineligibility.

Churches

Form 941
Payroll

Farms

Schedule F
Payroll

CHEAT SHEET FOR TEXAS TAX DOCUMENTS

The following is a list of available tax documents filed for various organizational types:

“C” Corporation

In business for less than 3 months:

Articles of Incorporation
Payroll

In business for more than 3 months:

Form 1120	Line 13 = wages (Corporation Income Tax Return)
Form 941	Line 2 = wages (Quarterly Federal Tax Return)

“S” Corporation

In business for less than 3 months:

Articles of Incorporation
Payroll

In business for more than 3 months:

Form 1120S	(Tax Return for an S Corporation)
Schedule K1	(Shareholders Share of Income)
Form 941	(If employees besides the shareholders)

Partnership

In business for less than 3 months:

Partnership Agreement
Payroll

In business for more than 3 months:

Form 1065	(Partnership Return of Income)
Schedule K1	(Partner’s Share of Income)
Schedule SE	(Self Employment Tax)

Note: General Partners will not have Form 941. Income information will be founded on Schedule K1 – Line 15A.

Limited Liability Company (LLC)

Depending on individual state laws, they may file as a C Corporation or a Partnership. See above for appropriate documentation.