

Glossary – Q

Qualified Benefit – This term means any benefit attributable to employer contributions to the extent that such benefit is not currently taxable to the employee by reason of an express provision of the IRC and which usually does not defer compensation. The following benefits are qualified benefits that may be offered under a cafeteria plan and are excludible from employees' gross income when provided in accordance with the applicable provisions of the Code: (a) group term life insurance (less than \$50,000), (b) accident and health benefits defined by IRC Sections 105 and 106, (c) COBRA premiums, (d) AD&D, (e) disability, (f) DCAP, (g) adoption assistance, (h) HSA contributions, and (i) certain cash or defined arrangements that are part of a profit-sharing plan.

Qualified Benefits – These benefits, with respect to cafeteria plans, include: (a) health care benefit (excludes LTC), (b) DCAP, (c) Life Insurance (up to \$50,000), (d) certain unused vacation days, and (e) certain elective retirement plans.