

**SANDIA PROPRIETARY INFORMATION
PERSONALLY IDENTIFIABLE INFORMATION (PII) (WHEN COMPLETE)**

Affidavit of Tax Status

Benefits paid under a group health plan for your covered dependents who do not qualify for tax-free health coverage under the Internal Revenue Code causes you to receive additional compensation as taxable wages. Generally, same-gender domestic partners and their children do not qualify for tax-free health coverage and are, therefore, considered Non-Qualifying Dependents. You are required to declare as taxable income the value (imputed income) of the coverage for your Non-Qualifying Dependent(s). Imputed income is not a pay increase. It is the value of Sandia's contributions for medical (including the Health Reimbursement Account, if applicable), dental, and/or vision coverage for dependents who do not meet the criteria as a qualifying child or qualifying relative. The imputed income will be added to your gross income and will be subject to income tax and may be subject to FICA (Social Security and Medicare) and income taxes. This amount will be reported on your annual W-2 from Sandia or other appropriate reporting tax form.

Imputed income will be included in the employee's income unless he/she completes this Affidavit of Tax Status confirming that those dependents are tax dependents for health coverage purposes and submits this to the Sandia Benefits department as indicated below. It is your responsibility to notify the Sandia Benefits Department if your covered dependent does not qualify for tax-free health coverage. Should the Internal Revenue Service audit your tax return and determine you have obtained tax benefits for which you are not eligible, you might be responsible for any overdue taxes, interest, and penalties. See Internal Revenue Service (IRS) Publication 502 for help determining the dependents who are eligible for tax-free health coverage. For more specifics, contact your tax adviser.

I, [print name] _____

declare that [print name] _____
is my dependent for purposes of Section 152 of the Internal Revenue Code of 1986, as amended.

I further declare that [print name(s)] _____,
_____ ,
who is/are the child/children of my domestic partner, is/are my dependents for tax purposes under Section 152 of the Internal Revenue Code of 1986, as amended.

I certify under penalty of perjury that the above information is true and correct and I agree to indemnify Sandia Corporation for any losses, penalties, taxes or damages which it incurs as a result of any false statement made by me in this Affidavit.

Employee Signature Date

Employee Street Address City State Zip

Print Name Notary Public Signature Notary Public

SEAL: Commission Expires: _____

If you have any questions, please call HBE Customer Service at 505-844-4237.

Mail this completed form to: MS-1022, Benefits Department. Or fax to 505-844-7535.

For Benefits Department personnel only	
Received by:	Date:
Enrollment/Change Accepted:	Date:
Enrollment/Change Declined:	Date: