

I. Purpose

Non-career employees use this form when they become eligible for USPS Health Benefits Plan coverage. During Open Season or following certain qualifying life events, non-career employees may:

- a. Begin pretax treatment of employee USPS Health Benefits Plan premium payments; or
- b. Waive pretax treatment if they have previously elected it.

II. Instructions and Information

Use this form **only** if you are a **non-career** employee eligible for pretax treatment of USPS Health Benefits Plan premiums. Read sections A through F before completing this form.

A. Definitions

After-tax treatment means that your contributions toward USPS Health Benefits Plan premiums are subject to the following taxes: (1) Social Security; (2) Medicare; (3) federal income; and (4) state and local income taxes, where applicable.

Pretax treatment means that your contributions toward USPS Health Benefits Plan premiums are not subject to the taxes listed above. Your taxable income is reduced accordingly, so pretax treatment results in lower taxes and higher take-home pay than you would have by paying premiums with after-tax treatment. Sections B and C explain possible disadvantages that you should understand.

Qualifying Life Events (QLEs) are described in the *Guide to USPS Health Benefits Plan's Qualifying Life and Permitting Events Change Matrix*. See column "Permitted Election of Pre-Tax vs. After-Tax Payment of Premiums." This guide is available from the Human Resources Shared Service Center (HRSSC) or on LiteBlue.

B. IRS Restrictions on Reducing Health Benefits Coverage

Pretax

The Internal Revenue Service (IRS) places certain restrictions on pretax treatment of USPS Health Benefits Plan premiums. If you have elected pretax treatment, you may reduce your level of USPS Health Benefits Plan coverage (cancel your enrollment, or change from Self and Family to Self Only) outside of Open Season **only** if:

1. You have a QLE change; and
2. The election is in keeping with the change (as explained in the *Guide to USPS Health Benefits Plan*).

If you have elected pretax treatment, have a QLE change, and want to reduce your level of coverage, submit a PS Form 3117, *How to Use PostalEASE to Manage Your USPS Health Benefits Plan Enrollment*, to HRSSC within the time period set forth in the *Guide to USPS Health Benefits Plan*. Include documentation to support your request. The change will take effect on the first day of the pay period following approval of the request and in which you are in a pay status.

After-tax

If you have elected after-tax treatment of USPS Health Benefits Plan premiums, IRS guidelines allow you to reduce your level of USPS Health Benefits Plan coverage at any time by:

1. Cancelling your enrollment;
2. Changing from Self and Family to Self Plus One or Self Only; or
3. Changing from Self Plus One to Self Only.

C. Pretax Treatment May Reduce Social Security Benefits

Paying your USPS Health Benefits Plan premiums with pretax money reduces the earnings reported to the Social Security Administration. Therefore, if you collect Social Security when you retire, you may receive a lower benefit than if you had paid your USPS Health Benefits Plan premiums with after-tax treatment. Your Medicare benefits will not be affected.

D. How to Use This Form

Use this form to:

1. Begin pretax treatment of employee contributions toward USPS Health Benefits Plan premiums.
2. Waive pretax treatment of employee contributions toward USPS Health Benefits Plan premiums if you have previously elected pretax treatment.

Do not use this form to:

1. Waive pretax treatment of employee contributions toward USPS Health Benefits Plan premiums, **unless** you have previously elected it.
2. Waive pretax treatment of employee contributions toward USPS Health Benefits Plan premiums if you have already waived it.
3. Enroll in the USPS Health Benefits Plan Program — for that, you can use *PostalEASE* or prepare a PS Form 3115, *USPS Health Benefits Plan Election Form*.

E. Effective Date of Election or Waiver

1. When you elect pretax treatment as a newly eligible, non-career employee, your election takes effect the pay period following submission of this form.
2. Your pretax election will continue until you request a change by submitting a new PS Form 3119 either:
 - a. During Open Season, or
 - b. When you have a QLE change.

F. Privacy Act Statement

Your information will be used to administer your selection of pre-tax health benefits premium payments. Collection is authorized by 39 USC 401, 410, 1001, 1005 and 1206. Providing the information is voluntary, but if not provided, we may not process your request. We may disclose your information as follows: in relevant legal proceedings; to law enforcement when the U.S. Postal Service (USPS) or requesting agency becomes aware of a violation of law; to a congressional office at your request; to entities or individuals under contract with USPS; to entities authorized to perform audits; to labor organizations as required by law; to federal, state, local or foreign government agencies regarding personnel matters; to the Equal Employment Opportunity Commission; to the Merit Systems Protection Board or Office of Special Counsel; and to contractors and other entities aiding us to fulfill the service (service providers). For more information regarding our privacy policies visit usps.com/privacypolicy.

III. Application

To begin pretax treatment, complete sections A, B, and D. If you have previously elected pretax treatment and you want to waive it, complete sections A, C, and D.

A. Participant Information (Please print. For items 1–4, see the top line of your biweekly earnings statement.)

1. Name (Last, First, Middle Initial)		2. Employee Identification Number (EIN)	
3. Finance Number	4. Pay Location	5. Employing Office (City, State, and ZIP + 4®)	
6. Daytime Telephone Number		7. Mailing Address (Street, City, State, and ZIP + 4)	

B. Begin Pretax Treatment

I elect to begin pretax treatment of my USPS Health Benefits Plan premium contributions and to adhere to the more restrictive IRS guidelines summarized on page 1 of this form. I understand that:

- If I am making this election during Open Season, it will become effective on the first full pay period in the following calendar year.
- If I am making this election as a newly eligible non-career employee or because I have a QLE change, it will become effective in the pay period after I submit this form.
- Pretax treatment will continue until I complete a new PS Form 3119 to waive pretax treatment, either during Open Season or following a QLE change.
- Paying my USPS Health Benefits Plan premiums with pretax money reduces the earnings reported to the Social Security Administration. Therefore, if I collect Social Security when I retire, I may receive a lower benefit than if I had elected to waive pretax treatment. My Medicare benefits will not be affected.

Initials _____

C. Waive Pretax Treatment (Complete this section only if you have previously elected pretax treatment of your premium contributions.)

I elect to waive pretax treatment of my USPS Health Benefits Plan premium contributions. If I am making this election during Open Season, it will become effective on the first full pay period in the following calendar year, or, if I have a QLE change, on the pay period after I submit this form. This waiver will continue until I complete a new PS Form 3119 to begin pretax treatment, either during Open Season or following a QLE change.

Initials _____

D. Authorization (After reading the Privacy Act Statement, in Part III, Section F, sign and date the statement below.)

By signing this form, I acknowledge that I have read and understand all the materials explaining the pretax treatment of employee contributions toward USPS Health Benefits Plan premiums.

I authorize payroll deductions for USPS Health Benefits Plan premiums in the manner indicated in Section B or Section C of Part III.

Warning: Any intentionally false statement in this application or willful misrepresentation thereto is a violation of law and could lead to termination of employment.

1. Your signature (Do not print.)	2. Date (MM/DD/YYYY)
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E. Mail Form to: HRSSC, COMPENSATION & BENEFITS, PO BOX 970400, GREENSBORO NC 27497-0400**F. Processing** (For use by HRSSC personnel only.)

1. Authorized Official's Signature	
2. Effective Date (MM/DD/YYYY)	3. DDE/DR Office Telephone Number (Include area code.)

Remarks:
