

# Education for Benefits Administrators: Imputed Income Reporting



**Lorena Dema**  
Manager, Benefit Payments  
Benefits Policy

November 17, 2022  
**CPG Administrator**  
**Webinar Series**



# Today's Agenda



**01**

Definition of Imputed Income:  
What, Why, Who, When, and How

---

**02**

Imputed Income Reports:  
Detailed look at the contents

---

**03**

Important Timeframes and Deadlines

---

**04**

Method of Delivery:  
MAP – My Admin Portal

---

**05**

Questions and Discussion

---

# What is Imputed Income?



Value of non-cash compensation taxable to the employee.

Must be included in the employee's Form W-2



Amount of imputed income relating to employer-provided group-term life insurance governed by IRS Code Section 79

# Imputed Income on Group-term Life Insurance

Section 79 of the Internal Revenue Code (IRC)

requires employers to calculate taxable imputed income for employees that receive group-term life insurance coverage in **excess** of \$50,000



The first \$50,000 of group-term life insurance coverage provided is excluded from compensation



Group-term life insurance provided by one or more employers in excess of \$50,000 requires the calculation of taxable imputed income in the current year



The amount of taxable imputed income must be reported on any current or former employee's Form W-2 each year

# Church Life and CPF Provide Three Forms of Group-term Life Coverage:

1

## Group-term Life Insurance for Eligible Participants in the Clergy Pension Plan

- All eligible **active** clergy can receive life insurance coverage up to \$150,000\*
- All eligible **retired** clergy can receive life insurance coverage up to \$50,000\*\*

2

## Employer Provided Group-term Life Insurance

- Each group can choose to purchase additional group-term life coverage, and the coverage amounts can differ by group

3

## Lay Death Benefit Plan

- Active lay participants in the Lay DB Plan are eligible for a death benefit equal to the lesser of two times the participant's earnings or \$50,000
- This benefit is provided by CPF through a self-funded death benefit plan that is treated like group-term life insurance under IRC section 7702(j) and is therefore considered in the calculation of imputed income, if applicable

# How is Imputed Income Calculated?

**We provide you with the calculation...**

**...the imputed income amount is calculated based upon:**

Total amount  
of group-term  
life insurance  
in excess of  
\$50,000

Employee age

Monthly cost per \$1,000  
of all group-term life  
insurance in excess of  
\$50,000, provided by  
the IRC Section 79 –  
Rate Chart

**Let's try one together...with Father Income, age 46...**

# IRS Premium Table Rates

Using this chart, we determine the monthly cost of \$1,000 of coverage for a 46-year-old:

## IRC Section 79: Imputed Income on Group-term Life Insurance

Age	Monthly Cost
Under 25	\$ .05
25 to 29	.06
30 to 34	.08
35 to 39	.09
40 to 44	.10
<b>45 to 49</b>	<b>.15</b>
50 to 54	.23
55 to 59	.43
60 to 64	.66
65 to 69	1.27
70 and Older	2.06

# Imputed Income Calculation

Total Coverage	Excluded Coverage	Relevant Coverage
\$150,000	– \$50,000	= \$100,000

The imputed income associated with the \$100,000 of covered group-term life insurance would be calculated as follows:

- 1 Obtain the **monthly** cost of \$1,000 of coverage for a 46-year-old from the chart = **.15**
- 2 Multiply the monthly cost x 12 to obtain the annual cost\* **.15 x 12 = \$1.80**
- 3 Multiply the annual cost by each \$1,000 of excess group-term life insurance **100 x \$1.80 = \$180.00**  
**Imputed Income Total**

# Form W-2 Imputed Income Reporting

22222		Void <input type="checkbox"/>	a Employee's social security number	For Official Use Only OMB No. 1545-0008		
b Employer identification number (EIN)			1 Wages, tips, other compensation	2 Federal income tax withheld		
c Employer's name, address, and ZIP code			3 Social security wages	4 Social security tax withheld		
			5 Medicare wages and tips	6 Medicare tax withheld		
			7 Social security tips	8 Allocated tips		
d Control number			9	10 Dependent care benefits		
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans	12a See instructions for box 12	
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b	12c	
			14 Other	12d		
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Imputed Income is reported on Form W-2 in Box 1, Box 12 with a code C and is **not eligible for the clergy housing allowance** and may be subject to SECA tax. In addition, for lay employees, this amount must be included in Boxes 3 and 5 and is subject to FICA tax as well.

# Imputed Income Reports (cont'd)

This spreadsheet contains confidential data. Any unauthorized use or dissemination of this data is strictly prohibited.

Imputed Income Report for 2022

If there are any active clergy members missing from your report and you require confirmation of their coverage and/or imputed income amounts, please feel free to contact us: via email at [imputedincome@cpg.org](mailto:imputedincome@cpg.org) or Client Services (866) 702-8333 Monday to Friday from 8:30 am to 8:00 pm (ET) (excluding holidays).

The 'LISTBillID' column may be populated by your Diocese 4-digit Bill code and XXXXXX thereafter (i.e.:0404XXXXXX) if the member does not have diocesan group life coverage

SSN4Digit	PARISH_NAME	FIRST_NAME	MIDDLE_NAME	lastName	BIRTH_YEAR	YEAR_END	AGE	IMPUTED_INCOME	EMPLOYEE
5555	(blank)	James		Smith	1990		30	-	888-888-88
5565	(blank)	John	Flynn	Smith	1981		39	-	888-888-89
5567	(blank)	Anthony	L	Smith	1962		58	-	888-888-90
5568	(blank)	Emilia	K	Smith	1970		50	-	888-888-91
5568	(blank)	Lorena		Smith	1981		39	-	888-888-92

# Imputed Income Reports (cont'd)

Supply imputed income amount to the parishes in your diocese

Parishes can include this amount on employee's Form W-2

Data based on employee coverage through December 31

Data compiled in November allows reports to be ready by December

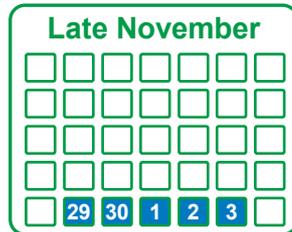
Changes made after December invoice must be adjusted using the IRC Section 79 chart

# 2022 Communications / Correspondence



**FYI Letter:  
All Diocesan  
Administrators  
(via email):**

- Advising Imputed Income reports will soon be available



***Imputed Income Notification:*  
All Diocesan Administrators  
(via email):**

- Advising Imputed Income Reports available: 12/1/22 via MAP
- Reviewing the summary of Imputed Income 2022
- IRC Section 79 Chart



**Personalized Letter  
with Imputed Income  
total to clergy (via mail)**

- Summary of Imputed Income 2022
- Website link to IRC Section 79 Chart

# Imputed Income Report 2022

Available December 1, 2022

This spreadsheet contains confidential data. Any unauthorized use or dissemination of this data is strictly prohibited.

Imputed Income Report for 2022

If there are any active clergy members missing from your report and you require confirmation of their coverage and/or imputed income amounts, please feel free to contact us: via email at [imputedincome@cpg.org](mailto:imputedincome@cpg.org) or Client Services (866-890-3333 Monday to Friday from 8:30 am to 8:00 pm (ET) (excluding holidays).

The 'LISTBilID' column may be populated by your Diocese 4-digit ID code and XXXXXX thereafter (i.e.:0404XXXXXX) if the member does not have diocesan group life coverage

SSN4Digit	PARISH_NAME	FIRST_NAME	MIDDLE_NAME	lastName	BIRTH_YEAR	YEAR_END	AGE	IMPUTED_INCOME	EMPLOYEE
5555	(blank)	James		Smith	1990		30	-	888-888-88
5565	(blank)	John	Flynn	Smith	1981		39	-	888-888-89
5567	(blank)	Anthony	L	Smith	1962		58	-	888-888-90
5568	(blank)	Emilia	K	Smith	1970		50	-	888-888-91
5569	(blank)	Loren		Smith	1964		20	000 000 00	

If you have questions concerning Imputed Income reporting, please send them to: [ImputedIncome@cpg.org](mailto:ImputedIncome@cpg.org)

# ≡ What is Excluded in the Imputed Income Reports? ≡



▶ Any additions, changes to an employer (listbill) or terminations made after Tuesday, November 1st, 2022, for the December 2022 invoice

▶ **Additional group-term life insurance benefits offered outside of those offered by CPF through Church Life:**

- Only information we have at CPF/Church Life is calculated
- Imputed Income from non-CPF/Church Life Group-term life insurance must be independently calculated and then added to the imputed income provided by CPF/Church Life and reported on Form W-2

# My Admin Portal ( MAP)

The screenshot shows the Church Pension Group My Admin Portal (MAP) interface. At the top left is the Church Pension Group logo. To the right are navigation links: About Us | Investment Management | Contact Us | Jobs, and a Sign In / Create Account button. A search bar is located below these links with the text "Search for subjects, conferences, videos". A dark blue navigation bar contains a home icon, MyCPG, Retirement, Insurance, Learning, and an Administrators dropdown menu. The main content area is titled "Sign In or Create Account" and features two tabs: "Sign In" (selected) and "Create Account". The "Sign In" form includes a required "Username" field with a placeholder "Enter your username, personal email address or client number (xxx-xxx-xx)", a "Forgot Username?" link, a required "Password" field with a "Show typing" checkbox, and a "Forgot Password?" link. A green "Sign In" button is positioned below the password field. At the bottom left, there is a "Need Help?" section with contact information for Client Services. At the bottom right, a red asterisk indicates that the fields are required.

CHURCH PENSION GROUP

About Us | Investment Management | Contact Us | Jobs [Sign In / Create Account](#)

Search for subjects, conferences, videos

MyCPG Retirement Insurance Learning Administrators

## Sign In or Create Account

[Sign In](#) [Create Account](#)

\* Username  
Enter your username, personal email address or client number (xxx-xxx-xx)  
[Forgot Username?](#)

\* Password  Show typing  
[Forgot Password?](#)

[Sign In](#)

**Need Help?**  
Please contact Client Services (855) 594-2201  
Monday - Friday 8:30AM - 8:00PM ET (excluding holidays)

\* Required field.

# My Admin Portal ( MAP )

CHURCH PENSION GROUP

MAP ▾ 🔔

MAP People Institution Resources **Reports**



Welcome back,  
**Lorena Dema**  
Signed in as: Institution Administrator

## My Admin Portal

### Quick Actions

🔍 Search for a quick action | 🗑 Add or Remove | ↔ Reorder Actions

Update Compensation

Employment Update

Add New Employee

Pension Enrollment

View Employees

View Administrators

### Guides & Resources

## Client Services Support

Hours of Operation  
Monday – Friday  
8:30 AM – 8:00 PM

Administrator Support  
(855) 215-5990

Technical Support  
(855) 594-2201

[admin-assist@cpq.org](mailto:admin-assist@cpq.org)

Latest Updates

# MAP – Admin Landing Page

**CHURCH PENSION GROUP**

MAP | People | Benefits Groups and Billing | Institution | Resources | Reports

MAP / Reports-landing-page

## Reports

### Benefits Group Reports

Comprehensive information on group health, life, and disability benefit enrollments for institutions under the Benefits Group's authority or responsibility.

If you are responsible for more than one group, select the one you wish to view on the next screen.

[View Benefits Group Reports](#)

### Billing Account Reports

Account-specific information on group health, life, and disability enrollments.

If you are responsible for more than one billing account, select the one you wish to view on the next screen.

[View Billing Account Reports](#)

### Institution Reports

Institution-specific information on group medical, dental, and pension enrollments.

If you are responsible for more than one institution, select the one you wish to view on the next screen.

### Support and Guidance

- [Purpose of this screen](#)
- [Benefits Group Reports](#)
- [Billing Account Reports](#)
- [Institution Reports](#)
- [Diocesan Reports](#)

1151, 722px | 1831 × 1767px | Size: 209.6KB

# My Admin Portal ( MAP )

CHURCH  
PENSION GROUP

MAP MAP People Benefits Groups and Billing Institution Resources Reports

Client ID: 343-453-55 Diocese Of Long Island

[Map](#) / [Diocesan-reports](#)

### Diocese Of Long Island

Client Number: 343-453-55

Navigate to a Section  
Diocesan Reports

## Diocesan Reports

Reports containing information related to the institutions under diocesan authority and their employees.

- [Clergy Compensation Report](#)
- [Lay Compensation Report](#)
- [Clergy Pension Assessment Arrears Report](#)
- [Imputed Income Report](#)
- [IR Institutions List](#)
- [Pension and Medical Enrollment Summary Report](#)

Contact Us Jobs About Us





# Thank you!

For your participation and feedback.

---

---

# Important Disclosures

This material is provided for informational purposes only and should not be viewed as investment, tax, or other advice. It does not constitute a contract or an offer for any products or services. In the event of a conflict between this material and the official plan documents or insurance policies, any official plan documents or insurance policies will govern. The Church Pension Fund (“CPF”) and its affiliates (collectively, “CPG”) retain the right to amend, terminate, or modify the terms of any benefit plan and/or insurance policy described in this material at any time, for any reason, and, unless otherwise required by applicable law, without notice.

Church Life Insurance Corporation, NAIC No. 61875, a New York life insurance company, with its home office located at 19 East 34th Street, New York, New York 10016 (“Church Life”), offers group and, in certain circumstances, individual life insurance and annuities to clergy and lay employees, and their families, in the service of the Episcopal Church. Product availability and features may vary by state, and products may not be available in all states. Church Life is not licensed in all states. Any and all guarantees by Church Life are based on and expressly subject to the claims-paying ability of Church Life. The Church Pension Fund does not guarantee the payment of principal or interest on any Church Life insurance policy or annuity contract. Information and descriptions of products and services are provided solely for general informational purposes and are not intended to be complete descriptions of, or to create a contract or an offer to provide, coverage. For complete details of coverage, including exclusions, limitations and restrictions, please see the actual life insurance policy or annuity contract. If any description of a Church Life product conflicts with the terms of the actual life insurance policy or annuity contract, then the terms of such life insurance policy or annuity contract will govern.