



Taxation of Benefits

➤ Taxation of Life and AD&D Benefits

Benefit	If premiums are employer paid, are the premiums taxable to the employee?	If premiums are employer paid, is the benefit payout taxable to the beneficiary?	If premiums are employee paid, is the benefit payout taxable to the beneficiary?
Basic Life	Yes	No	No
Dependent Life	Yes	No	No
Optional Life	Yes (only plan-sponsored paid part of premium)	No	No
Basic AD&D	Yes	No	No

➤ Taxation of Critical Illness

Benefit	If premiums are employer paid, are the premiums taxable to the employee?	If premiums are employer paid, is the benefit payout taxable to the employee?	If premiums are employee paid, is the benefit payout taxable to the employee?
Critical Illness	Yes	No	No

➤ Taxation of STD/LTD*

Benefit	If premiums are employer paid, are the premiums taxable to the employee?	If any portion of the premiums are employer paid, is the income received while on disability taxable to the employee?	If premiums are employee paid, is the income received while on disability taxable to the employee?	If premiums are employee paid, are the premiums tax deductible to the employee?
Long Term Disability	No	Yes	No	No
Short Term Disability	No	Yes	No	No

*Please contact our office for more information

➤ Taxation of EHC and Dental

Benefit	If premiums are employer paid, are the premiums taxable to the employee?	If premiums are employer paid, are the benefit payouts taxable to the employee?	If premiums are employee paid, are the benefit payouts taxable to employee?
Extended Health Care	No (Except in Quebec)	No	No
Dental	No (Except in Quebec)	No	No