

The T4's represent the taxable benefit portion of MSP premiums paid on their behalf by the Company. The Company applied the retirees payment to the MSP premiums first (as opposed to applying them to the non-taxable EHB premiums) to reduce their taxable benefit portion. The amount remaining after that application was reported on the T4's.

So for example: Someone with "Single" coverage did not make any payment to the Company for benefits because their was under the \$200.00/month maximum. They will have \$684 as a taxable benefit reported on their T4. (\$57.00 MSP cost/month)

Someone with couple coverage will have paid an invoice for benefits. The amount they paid was applied first to their MSP amount (so if the amount they paid was \$150.00, and their MSP was \$1200 in total....their taxable benefit amount would be \$1050.)

When we moved the retiree benefits' administration to the Vancouver office, it came to light that T4's were required for the MSP premiums for those who were no longer receiving an income from Eurocan but who were receiving this benefit.

I hope this helps.

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