

ABC Company  
Y/E December 31, 2010

	Per Hour Rate	Hours Per week (disregard overtime)	Hours Per Year	Full Time Equivalent s (FTE)	Annual Wage /Salary	Average Wage / Salary	Annual Premium Single	Employer Cost 50%
Employee 1	\$10.00	40	2080		\$20,800.00		\$4,667.00	\$2,333.50
Employee 2	\$7.30	40	2080		\$15,184.00		\$4,667.00	\$2,333.50
Employee 3	\$11.50	40	2080		\$23,920.00		\$4,667.00	\$2,333.50
Employee 4	\$11.00	40	2080		\$22,880.00		\$4,667.00	\$2,333.50
Employee 5	\$11.30	40	2080		\$23,504.00		\$4,667.00	\$2,333.50
Employee 6	\$16.23	40	2080		\$33,758.40		\$4,667.00	\$2,333.50
Employee 7	\$16.23	40	2080		\$33,758.40		\$4,667.00	\$2,333.50
employee 8	\$13.30	40	2080		\$27,664.00		\$4,667.00	\$2,333.50
employee 9	\$13.30	40	2080		\$27,664.00		\$4,667.00	\$2,333.50
employee 10	\$25.00	10	520		\$13,000.00			
employee 11	\$25.00	30	1560		\$39,000.00		\$4,667.00	\$2,333.50
employee 12 (Owner)	\$31.25	40	2080		\$65,000.00			
employee 13	\$20.00	40	2080		\$41,600.00		\$4,667.00	\$2,333.50
employee 14	\$20.00	40	2080		\$41,600.00		\$4,667.00	\$2,333.50
employee 15	\$20.00	30	1560		\$31,200.00		\$4,667.00	\$2,333.50

Subtotal			28,600	13.750	\$460,532.80		\$60,671.00	\$30,335.50
Less Owner			2,080	1.000	\$65,000.00			
Total			26,520	12.750	\$395,532.80	\$31,022.00	Divide by 12	
			Round Down>	12.000		31,000.000		

TAX CREDIT

Rate								35%
Amount Before Phase-out								\$10,617.43
FTE Reduction (a fraction represented by the number of FTEs over 10 divided by 15)						2/15 x 10,617		(\$1,415.66)
Average Wage Reduction (a fraction represented by the average wage exceeding \$25,000 divided by \$25,000)						6000/25000 x 10,617		(\$2,548.18)
Amount After Phase-out								\$6,653.59
Net Cost of Health Benefit to employer					(CAN BE DEDUCTED ON TAX RETURN)			\$23,681.91

21.93%