

TLC | THE LAUGHTON CO.

In this Issue

- ▶ [Message from Mitch . . .](#)
- ▶ [Governor Delivers Toys for TLC Toy HAULiday Drive](#)
- ▶ [Strategic HR Partners](#)
- ▶ [IRS Clarifies That Health FSA and HRA Plans May Impose Limiting Restrictions on Reimbursements](#)
- ▶ [IRS Announces 2012 Cost-of-living Adjustments for Archer MSAs, DCAPs, Adoption Assistance and Transportation Benefits](#)
- ▶ [COBRA Notice Not Required Where Employee Is Terminated After Altercation](#)
- ▶ [IRS Clarifications Affect Employee Benefits for Domestic Partners and Same-sex Spouses](#)

Forward to a Friend

Know anyone who might be interested in our newsletter? [Forward to a friend!](#)

More...

IRS Starts to Contact Form 5500 Nonfilers

The IRS' Employee Plans Compliance Unit (EPCU) has begun to implement the "Form 5500 Non-Filer Project," which is designed to contact plan sponsors who are required to file either Form 5500 or 5500-SF with the DOL, or Form 5500-EZ with the IRS, but who have not filed these forms for plan years ending in 2010 or later.

If the plan sponsor is required to file Form 5500 but does not, the IRS will send the sponsor a delinquency notice asking for a response within 30 days. If a response is not received, the IRS will send a subsequent notice requesting a response within 30 days.

[For additional information on Form 5500.](#)

Nevada

The Nevada Equal Rights Commission updated the Nevada Fair Employment poster to include language stating that it is illegal for employers to discriminate against an individual based on the individual's

Message from Mitch . . .

Happy holidays! I hope everyone enjoyed Thanksgiving with friends and family.

October was a fantastic month at [The Laughton Company](#). In an effort to help businesses understand the upcoming changes in health care reform, I invited Jill Brooking, Vice President of Benefits Compliance at NFP to present an in-depth look at the current legislation. It was a great opportunity to learn about the latest regulations taking place and how it will affect businesses and employees. I would like to give a special thanks to Jill Brooking for educating the TLC staff and our clients about what to expect from the reform and how to prepare for what's to come in health reform.

Additionally, I would like to welcome Rachale Roach to The Laughton Company of Southern Nevada. Rachale is our new Account Manager, working as a liaison between our clients and the insurance companies, solving a variety of issues such as eligibility and claims. With more than six years of experience, Rachale has excellent knowledge of the insurance industry and group employee benefits. In her free time, Rachale enjoys the performing arts and volunteering her time to organizations within the community.

**Wishing everyone a happy holiday season,
Mitch Laughton, CLU, ChFC, CLTC, AIF - President**

Governor Delivers Toys for TLC Toy HAULiday Drive

The Laughton Company has partnered with Ashlee's Toy Closet to bring new toys, books and clothes to children in Northern Nevada, especially those affected by the Caughlin Fire. Nevada Governor, Brian Sandoval personally delivered toys to Ashlee's Toy Closet and sent out a plea via Twitter to promote the Toy Drive efforts.

Ashlee Smith, daughter of Ericka Smith, Rate and Benefit Analyst at The Laughton Company, started a non-profit organization in 2005 after her family was affected by a fire. This holiday season, Ashlee's Toy Closet and The Laughton Company challenge businesses to take part in the TLC Toy HAULiday Drive. Between now and Dec. 12, 2011, TLC is distributing toy boxes upon request to businesses who wish to donate to the organization. If you would like to make a tax deductible donation and have your logo featured on the Ashlee's Toy Closet website, please contact [The Laughton Company](#). For more information visit [Ashlee's Toy Closet](#).



gender identity or expression. The updated language is a result of the enactment of AB 211 on May 24, 2011.

View the Updated [Nevada Fair Employment Poster](#).

Strategic HR Partners

At The Laughton Company, we strive to help businesses reach their goals, in an effort to do so, we are excited to announce our partnership with Strategic Partners-HR, a full-service HR consulting firm. With this partnership, clients can utilize Strategic HR-Partners for their day-to-day HR needs. Strategic Partners-HR is available to consult, counsel and advise companies on all employee issues. For more information about these new benefits, please contact [The](#)



[Laughton Company](#). For more information visit [HR Strategic-Partners](#).

IRS Clarifies That Health FSA and HRA Plans May Impose Limiting Restrictions on Reimbursements

The IRS recently released two IRS information letters, Information Letter 2011-0027 and Information Letter 2011-0055, pertaining to employer-sponsored plans. The letters remind employers that health FSAs and HRAs are not required to pay or reimburse every item or service that qualifies as a medical care expense under IRC Section 213(d). In fact, both letters clearly state that whether the expense can be reimbursed under the employer's plan design depends on the rules under the specific plan.

For more information about these letters that may impose limiting restrictions on reimbursements visit:

[IRS Information Letter 2011-0027](#)
[IRS Information Letter 2011-0055](#)

IRS Announces 2012 Cost-of-living Adjustments for Archer MSAs, DCAPs, Adoption Assistance and Transportation Benefits

On Oct. 20, 2011, the IRS issued Rev. Proc. 2011-52 and IRS news release IR-2011-104. The two documents announce the 2012 cost-of-living adjustments (COLAs) for a wide variety of tax benefit limits, including limits relating to Archer medical savings accounts (MSAs), dependent care assistance programs (DCAPs), adoption assistance and qualified transportation fringe benefits. Employers that offer these types of plans will need to confirm whether their plans automatically apply the current limits or whether the plans will need to be amended to recognize the new changes. Employers should also consider notifying employees of the changes to avoid disputes in the future. For more information about the Rev. Proc. or the IR visit:

[Rev. Proc. 2011-52](#)
[IR-2011-104](#)

COBRA Notice Not Required Where Employee Is Terminated After Altercation

When a covered employee is terminated for gross misconduct, there is no qualifying event for the covered employee, or for the employee's spouse or dependent children. This means that the covered employee is not entitled to a COBRA election. However, the regulations do not define the term "gross misconduct"; therefore, case law can provide some direction in this regard.

In *Berry v. Frank's Auto Body Carstar, Inc.*, 2011 WL 4360075 (S.D. Ohio

2011), the U.S. District Court for the Southern District of Ohio considered whether employee conduct met the definition of “gross misconduct” for purposes of COBRA.

For more information on this case visit: [Berry v. Frank's Auto Body Carstar, Inc.](#)

IRS Clarifications Affect Employee Benefits for Domestic Partners and Same-sex Spouses

The IRS issued Q&As supplementing IRS Publication 555 (Community Property) to address federal tax issues for registered domestic partners and same-sex spouses residing in the community property states of California, Nevada and Washington. (Registered domestic partners in these states are subject to community property laws because their partnerships are treated as equivalent to marriage under state law.) Many of the Q&As involve individual tax issues, but several relate to employee benefits.

To view some relevant Q&A's about tax dependent status, stepparents and stepchildren visit: [IRS Website](#).

HELPING YOU PROTECT YOUR HEALTH AND WEALTH

RENO-TAHOE | LAS VEGAS | SCOTTSDALE

LAUGHTONCO.COM

[The Laughton Company](#) | Reno

140 Washington Street, Suite 100
Reno, NV 89503
Phone: 775-323-3255
Toll Free: 888-323-3255
Fax: 775-323-5811

[The Laughton Company](#) | Las Vegas

101 Convention Center Drive #700
Las Vegas, NV 89109
Phone: 702-368-1894
Toll Free: 888-323-3255
Fax: 702-368-4562

This email was sent to: david@rkpr.com | [Unsubscribe](#)

* Securities and Investment Advisory Services may be offered through NFP Securities, Inc. (NFPSI), Member FINRA/SIPC. The Laughton Company is a member of NFP Benefits Partners, an affiliate of NFPSI. The Laughton Company and NFPSI are not affiliated. The Laughton Company and NFPSI do not offer tax or legal advice.