



# EMERGENCY RESPONSE BENEFITS

UNIVERSAL BENEFIT ACCOUNT®

## Emergency Loan Account

### What is the Employee Benefit?

Employers can offer emergency funds to their employees who might need financial assistance for unexpected expenses during a difficult time through an Emergency Loan Account. The employer determines who qualifies for a loan, defines the terms of that loan, and makes the loan to the employee. They do not need to fund the account until they grant a loan. The employer is in control of the loan terms and the collections.

### Things to Know:

<b>Plan Design</b>	<ul style="list-style-type: none"> <li>Employers determine who gets the funds, how much, and when.</li> <li>Employer determines what qualifies as an emergency.</li> <li>Employers determine the repayment terms and are in control of all collections.</li> </ul>
<b>Eligible Expenses</b>	N/A
<b>Limits</b>	Employers can set any limit they want for the plan year such as a maximum amount that can be reimbursed to an employee for the year.
<b>Eligibility Requirements</b>	The employer determines who is eligible to receive an emergency loan.
<b>Funding</b>	Employer funded.
<b>Enrollment</b>	Employees can be enrolled at any time by the employer upon approving an employee for a loan.
<b>Disbursements</b>	<ul style="list-style-type: none"> <li>Expenses <b>do not</b> need to be verified as eligible.</li> <li>Funds in this account can be used in any way the employee (borrower) needs.</li> </ul>
<b>Tax Benefit</b>	<ul style="list-style-type: none"> <li>Borrowed funds from this account are not taxable to the employee.</li> <li>Clients should consult with their tax professional regarding tax treatment of interest, if applied to the loan.</li> </ul>

*The extension of credit may require compliance with certain applicable regulation.*

### Additional Resources

We want to help! You don't need to be a TASC customer to call our hotline or download our helpful documents.

General questions on this benefit	Want to administer this account yourself	Want guidance for your benefits TPA?	Want to have TASC handle this benefit for you?
Call our Special Forces COVID-19 hotline: Call 1-833-433-1002	Download our helpful How-To document: <a href="#">Get Started.</a>	Share our How-To document with your administrator: <a href="#">Get Started.</a>	Contact us to do all or part of this work effort for you: 1-888-595-2261, or <a href="#">Get Started.</a>



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## Why TASC?

For more than 40 years, TASC has been a leader, an innovator, and a partner of employers committed to ensuring the health, wealth and well-being of their employees and their employees' families and community. TASC was a pioneer in assisting sole-proprietor farmers and small businesses save billions in tax dollars through the adoption of health reimbursement plans; challenging many ill-informed IRS auditors, accountants, and naysayers along the way. TASC, through FlexSystem, brought the idea of a Cafeteria Plans to large and small businesses; challenging the notion that such plans were burdensome, complicated and difficult to administer.

There from the beginning of Section 125, TASC has brought its knowledge and expertise forward with the idea that together we can improve lives of many, strengthen our communities, and make benefits feel like benefits. TASC understands that each employers circumstance is different. TASC offers its guidance based upon the wealth of its experience as an employer and as a benefits administrator. It is not legal or tax advice and should not be taken as such but is offered to prompt knowledgeable inquiry of your plan professionals and provoke thoughtful plan decision making.