

# **Employee Benefits Tax Reporting Package**

**Confidential Document - Nexus Intelligent Systems, Inc.**

## **1. EXECUTIVE SUMMARY**

This Employee Benefits Tax Reporting Package ("Package") provides a comprehensive overview of tax reporting requirements, compliance documentation, and material details related to employee benefits for Nexus Intelligent Systems, Inc. (the "Company"), prepared as of January 22, 2024.

## **2. DOCUMENT SCOPE AND PURPOSE**

### **1 Objective**

This document serves to provide a detailed accounting of the Company's employee benefits tax reporting obligations, including:

- Comprehensive review of current benefit structures
- Tax reporting compliance status
- Potential tax liability assessments
- Regulatory alignment documentation

### **2 Reporting Periods**

- Primary Reporting Period: Calendar Year 2023
- Secondary Historical Review: Calendar Years 2021-2022

## **3. BENEFIT PLAN OVERVIEW**

### **1 Qualified Retirement Plans**

- Plan Type: 401(k) Defined Contribution Plan
- Total Participants: 72 active employees
- Employer Match: 4% of base compensation
- Total Plan Assets: \$2,347,622
- Plan Administrator: Fidelity Investments

### **2 Health and Welfare Benefits**

- Medical Coverage: Provided through Blue Cross Blue Shield
- Dental Coverage: Delta Dental PPO

- Vision Coverage: VSP Vision Care
- Total Annual Benefit Expenditure: \$1,248,375

#### **4. TAX REPORTING COMPLIANCE**

##### **1 Form W-2 Reporting**

- Total W-2 Employees: 87
- Aggregate Compensation Reported: \$8,742,500
- Federal Tax Withholdings: \$1,312,375
- State Tax Withholdings: \$624,180

##### **2 Form 1095-C Reporting**

- Applicable Large Employer Status: Confirmed
- Minimum Essential Coverage Offered: 100% of eligible employees
- Reporting Compliance: Full compliance with ACA mandates

#### **5. POTENTIAL TAX CONSIDERATIONS**

##### **1 Identified Tax Risks**

- No material tax deficiencies identified
- Minimal potential for retroactive tax assessments
- Proactive compliance management demonstrated

##### **2 Recommended Tax Strategies**

- Continued documentation of benefit plan expenses
- Annual review of compensation structures
- Maintenance of detailed employee classification records

#### **6. REGULATORY COMPLIANCE ATTESTATION**

##### **1 Compliance Certifications**

The Company hereby certifies that:

- All employee benefit tax reporting is accurate and complete
- Full compliance with federal and state tax regulations
- No known material misstatements or omissions exist

## 2 Legal Representations

- Prepared in accordance with generally accepted accounting principles
- Reflects true and accurate financial representations
- Subject to ongoing internal and external audit processes

## 7. LIMITATIONS AND DISCLAIMERS

### 1 Document Limitations

- This package represents a point-in-time assessment
- Subject to change based on regulatory updates
- Not a definitive legal interpretation

### 2 Confidentiality

This document contains confidential and proprietary information. Unauthorized disclosure is strictly prohibited.

## 8. EXECUTION

Executed this 22nd day of January, 2024.

### Authorized Signatories:

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

Michael Chen

Chief Financial Officer

Nexus Intelligent Systems, Inc.

## 9. APPENDICES

### 1 Supporting Documentation

- Detailed benefit plan schedules
- Tax reporting worksheets

- Compliance verification documentation

*End of Employee Benefits Tax Reporting Package*