

Understanding Domestic Partnerships and Domestic Partner Insurance

What is a Domestic Partner?

Domestic Partner is a term that refers to an unmarried partner of the same or opposite sex.

The definition of a domestic partnership is when two people live together and are involved in an interpersonal relationship sharing their domestic life as if married, however they are not legally married. Being in a domestic partnership involves being in a committed relationship. You cannot be married to another person and still be considered a domestic partner.

What documentation is required to prove Domestic Partnership?

You will be required to sign a “domestic partner affidavit” that includes several declarations, for example, stating:

- You share the same regular and permanent residence for at least six months with the current intent to continue doing so indefinitely,
- Neither person is married legally to anyone and neither person is in a domestic partnership with another person,
- You are jointly financially responsible for “basic living expenses,” defined as the cost of basic food, shelter and any other expenses of a domestic partner because of the domestic partnership.

Are the children of Domestic Partners eligible for coverage?

Children of qualified domestic partners are eligible for benefits. For the purpose of domestic partner insurance, the definition of children insured on the health plan may include:

- Biological children
- Stepchildren
- Legally-adopted children

Does adding a Domestic Partner or the children of a Domestic Partner increase my health insurance premium?

Under the Corvallis School District’s current composite fee structure, there is no increase in out-of-paycheck premium when a domestic partner, or their children, is enrolled. However, there can be an increase in income taxes due to taxation of the “imputed value” of the benefit.

What is Imputed Value?

If you cover your domestic partner and/or the children of your domestic partner, the IRS considers the value of certain benefits to be **taxable income**. During the payroll cycle, you will see Domestic Partner imputed income added to your wages. The imputed income is the value that the IRS determines you receive by having a domestic partner on your coverage. This is for tax calculations only. After taxes are assessed, the imputed income is deducted from your wages, resulting in a sum zero change to your gross wages but increasing your overall income taxes.

For more information about imputed value, please visit www.irs.gov.