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employees' taxable gross income, according to the IRS.

Jason Bramwell • Apr. 16, 2024



INTERNAL REVENUE SERVICE

In a [fact sheet](#) released on April 16, the IRS said the value of work-life referral services that companies provide to workers through an employee assistance program should be excluded from employees' taxable gross income as a de minimis fringe benefit.

“In general, a de minimis fringe benefit is one which, considering its value and the frequency with which it is provided, is so small that accounting for it would be unreasonable or administratively impracticable,” the IRS stated in a Q&A portion of

the fact sheet. “In circumstances where it would be administratively difficult to

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personal, work, or family challenge, according to the agency.

“WLR services include assistance with completing paperwork and basic administrative tasks that help direct the employee to appropriate providers of the necessary underlying life-management resources (e.g., adult- and child-care centers, financial services providers, home repair tradespeople),” the IRS stated. “WLR programs work with subject-matter specialists who are trained in helping employees navigate through work-life challenges involving access to and eligibility for child and elder care, health care, government and employer-provided benefits, and legal and financial issues.”

Therefore, the use of such referral and information services would be excluded from gross income as a de minimis fringe benefit, the IRS said. In addition, the use of such referral and information services would be excluded from employment taxes, including FICA, FUTA, and federal income tax withholding, as a de minimis fringe benefit.

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