



December 2009

Dear Valued Client:

This letter is to remind you about important year-end information regarding COBRA credits.

2009 COBRA Credit Reporting

Any COBRA credits that apply to the year 2009 must be reported on Form 941 (or Form 944) for fourth quarter 2009. Credits from 2009 cannot be reported in 2010. If you notify Advantage about COBRA credits after the fourth quarter processing deadline, these credits must be processed as revisions or amendments to fourth quarter returns, and may be subject to additional processing fees.

COBRA Legislation Effective Date Reminder

As current law dictates, only those workers who are involuntarily terminated on or before **February 28, 2010**, are eligible for the COBRA subsidy. The subsidy will apply to their COBRA payments as long as they have COBRA, or for fifteen months, whichever comes first. These credits may continue to be processed for these terminated workers through February 28, 2010.

Any workers involuntarily terminated effective **March 1, 2010**, or later are no longer eligible for this subsidy. COBRA credits should not be submitted for workers terminated on March 1 or later.

If you have any questions, please call your customer service representative at 516-931-8400.

Thank you for choosing Advantage. It is our privilege to serve as an essential partner with your business.

Sincerely,

The Specialists at Advantage