

HIDALGO COUNTY, TEXAS PERSONNEL POLICY MANUAL	Procedure: WIP Page: 1 of 3 Date Authorized: 11/30/2021 Supersedes: N/A
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EMPLOYEE WELLNESS INCENTIVE POLICY

I. Purpose:

The Hidalgo County Wellness Program allows all County employees to receive incentive items (i.e., t-shirts, water bottles, coffee travel cups, stress balls, healthy snacks, fitness equipment, and gift cards) based on participation in wellness program events, including but not limited to wellness webinars, health talks, health fairs, and fitness classes. Additionally, Hidalgo County employees who are covered under the County's Medical insurance and who engage in the Preventative Measure Program have the opportunity to receive an incentive when completing an annual wellness exam with the recommended lab work and an online health risk assessment. All incentives are offered to County employees through the County's medical insurance.

II. Policy Guidelines:

In compliance with the Internal Revenue Code, incentives are subject to Federal tax laws (taxable) and are required to be reported on the recipients Form W-2 unless the incentive is considered "de minimis." "De minimis" incentives are non-taxable.

The Hidalgo County Wellness Program defines a "de minimis" incentive as property, after taking into account the frequency for which the property is provided (occasional or infrequent, not routine), that has a value of \$100.00 or less.

Examples of "de minimis" incentives provided to County employees as part of the Hidalgo County Wellness Program are t-shirts, water bottles, coffee cups, stress balls, healthy snacks, and fitness equipment, all of which do not exceed the "de minimis" value previously defined.

Gift certificates/gift cards that are redeemable for general merchandise or have a cash equivalent, regardless of the value, are not considered "de minimis"; therefore, are taxable, in accordance with IRS Regulations.

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III. Compliance:

Hidalgo County Wellness Program incentives that are received by County employees shall have appropriate language describing the item's taxability, and will be explicitly detailed in all engagement material. Additionally, employees who receive a gift card will be required to complete the Wellness Program Incentive Receipt Form (attached to this policy) prior to receiving the gift card. If an employee fails to complete the previously mentioned form, the wellness program incentive will not be distributed to the County employee.

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Employee Wellness Program Incentive Receipt Form

Employee Name: _____
Employee I.D. Number: _____
Gift Card Amount: _____
Gift Card Issued Date: _____

Acknowledgment Statement

Pursuant to IRS Regulations, gift certificates/gift cards that are redeemable for general merchandise or have a cash equivalent, regardless of the value, are taxable. Therefore, the value of the gift card is subject to Federal tax laws (taxable) and is required to be reported on the recipient's Form W-2.

By signing below, I acknowledge that I understand the statement above.

Employee Signature: _____
Date: _____

If you have questions about your wellness incentive and its taxability, contact the Hidalgo County Wellness Program at hidalgocounty.wellness@co.hidalgo.tx.us or at (956) 292-7025.

For Office Use Only

Distributed by: _____
Distribution Date: _____
Date form was provided to the Treasurer's Office: _____