



Payroll Taxation FAQ

I substantiated my claims before the deadline. Why do I still have an outstanding balance?

All submitted documentation is reviewed by Anthem and a determination is made whether the documentation adequately verifies the claim as an eligible expense. Below are 2 of the most common reasons for a denial:

- The documentation submitted did not include the 5 points of substantiation needed for approval:
 - Name of the member or dependent who received the service or product
 - Date(s) of service or purchase
 - Description of service or product
 - Provider or business name
 - Amount of the claim or expense
- The documentation submitted is for a date of service not within the applicable plan year.

For any questions regarding claims and/or documentation approvals/denials, please contact Anthem at (833) 290-2480.

How will the imputed income look when applied to my paycheck?

Imputed income will be listed as "Benefits Taxable"

Earnings (** Does not add to gross)					
	Dates	Hours	Rate	Amount	YTD
**Benefits Taxable	08/04/2024 - 08/17/2024	0	0.00	100.00	100.00

Will this affect my 2025 W-2?

Yes, the outstanding balance total (before taxes) is added to your taxable earnings for the 2025 calendar year. This is required by the IRS as it is reportable the year in which the business deems the claim cannot be substantiated.

You will not need to file a prior year tax amendment as these earnings will be reported in calendar year 2025.

What taxes will be withheld from my paycheck for these additional earnings?

CarMax is required by the IRS to withhold Social Security (FICA)/Medicare and Federal Income Tax (FIT). State and local tax withholding may also be required.

My address has changed; will you adjust my state/local tax, so I do not have to file a return at my previous location?

The reported earnings are based on your last work location and will be reportable to that state. We encourage you to seek tax advice on how to handle the non-resident tax return if you have relocated. You may also want to adjust your current year tax withholding elections to adjust for these additional earnings.

Who do I contact if I have questions?

Please reach out to benefits@carmax.com