

TAXABLE INCOME

1. Wages, salaries and other compensation.
2. Bonuses, stipends and tip income.
3. Commissions, fees and other earned income.
4. Sick pay (including third-party sick pay before 2007).
5. Employer supplemental unemployment benefits (SUB pay).
6. Employee contributions to retirement plans and tax deferred annuity plans (including Sec. 401k, Sec. 403b, Sec. 457b, etc.).
7. Compensation attributable to a non-qualified deferred compensation plan at the time the compensation is deferred.
8. Contributions made by or on behalf of employees to cafeteria plans (Sec. 125, etc.) prior to January 1, 2004.
9. Net rental income.
10. Net profits of businesses, professions, corporations, partnerships, etc.
11. Income from partnerships, estates or trusts.
12. Employee contributions to costs of fringe benefits.
13. Ordinary gains as reported on Federal Form 4797.
14. Income from wage continuation plans (including retirement incentive plans, severance pay, and short-term disability).
15. Vacation pay.
16. Stock options (taxed when exercised, usually valued at market price less option price on the date the option is exercised).
17. Farm net income.
18. Employer paid premiums for group term life insurance over \$50,000.00.
19. Compensation paid in goods or services or property usage. Taxed at fair market value.
20. Contributions made on behalf of employees to tax-deferred annuity programs.
21. Prizes and gifts if connected with employment to the same extent as taxable for Federal Income Tax purposes.
22. Director fees.
23. Income from jury duty.
24. Union steward fees.
25. Strike pay.
26. Profit sharing.
27. Uniform, automobile and travel allowances.
28. Reimbursements in excess of deductible expenses.
29. Employer-provided educational assistance (taxable to the same extent as for federal taxation).
30. Income deemed as taxable per Federal Code Section 89.
31. Gambling winnings.
32. Lottery winnings.

NON-TAXABLE INCOME

1. Interest or dividend income.
2. Welfare benefits.
3. Social Security.
4. Income from qualified pension plans.
5. Unemployment benefits.

6. Worker's compensation.
7. Proceeds of life insurance.
8. Alimony received.
9. Contributions made by on behalf of employees to cafeteria plans (Sec. 125, etc.) on or after January 1, 2004.
10. Military pay, including Reserves and National Guard, (Excludes Civilians employed by military or National Guard.)
11. Earnings of individuals who are under 18 years of age for the *entire* year.
12. Capital gains.
13. Gross income and gross receipts of religious, fraternal, charitable, scientific, literary or educational institutions to the extent that such income and receipts are derived from real estate, tangible or intangible property or other activities that are tax-exempt.
14. Certain royalties.
15. Annuity distributions.
16. Housing allowances for clergy to the extent that the allowance is used to provide a home.
17. Health and welfare benefits distributed by governmental, charitable, religious or educational organizations.
18. Compensatory damages, as defined in Federal regulations.
19. Insurance proceeds.
20. Compensation paid to a precinct election official, to the extent that such compensation does not exceed one thousand dollars annually.