

## **Taxable Wellness Spending Account FAQ for CUPE 1334**

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### **General TWSA Questions**

#### **What is a TWSA?**

**Answer:** *Taxable Wellness Spending Account (TWSA)*

Supports health and wellness for employees only (*i.e. spouses/dependents are not eligible*). This account can be used to pay for items including but not limited to fitness club membership fees, fitness or sporting equipment, personal training sessions, nutritional counselling, weight loss programs, smoking cessation programs, legal advice and/or financial advice. Wellness spending account reimbursements are a taxable benefit and will be reported on annual T4 statements of the employee. Starting with any January 1, 2019 reimbursements, income tax related to this benefit will not be deducted from an employee's pay. Any required tax will be payable at the time the employee files their annual income tax return.

#### **Am I eligible for a TWSA?**

**Answer:**

Participation in the TWSA arrangement is restricted to active and eligible RFT and CLT and eligible TFT employees represented by USW Local 4120 meeting the criteria as set out below:

- In order to be eligible to participate a TFT employee must be employed on a contract greater than twelve (12) months or have been continuously employed full-time with the University for twelve (12) months or more as at May 1, 2020, or each January 1st thereafter
- For the purpose of this Agreement, active RFT, CLT, and TFT employees shall include those employees on any statutory protected leave (*i.e. maternity or parental leave, family medical leave, etc.*), short term disability, long term disability, drawing WSIB benefits, on vacation or an otherwise approved paid leave of absence. Individuals on long-term disability on the effective date of the program will not be eligible to participate in the program until such time as they return to active employment.
- An active employee does not include an RFT, CLT or TFT employee on a leave of absence without pay for a period of thirty (30) calendar days or more.

- A CLT employee will be permitted to make submissions and receive reimbursements under the TWSA program during their normal period of lay-off.
- Retirees are not eligible to participate in the TWSA arrangement.
- Newly hired RFT, CLT and TFT employees will have access to one hundred percent (100%) of TWSA for the calendar year, provided their employment commences on or before July 1st of the same calendar year.
- All RFT, CLT and TFT employees whose employment commences after July 1st, with the exception of those hired after November 30th, as detailed below, will see their TWSA prorated by fifty percent (50%) for the balance of that calendar year.
- Those employees hired after November 30th will not be eligible to participate in the TWSA program until the following calendar year.

### What is my annual allocation?

**Answer:** Eligible employees will be provided with \$200 into their TWSA.

Newly hired RFT, CLT and TFT employees shall have access to 100% of TWSA for the calendar year, provided their employment commences on or before July 1 of the same calendar year.

All eligible RFT, CLT and TFT employees whose employment commences between July 1 and November 30th of each year, will see their allocation prorated by fifty (50%) for the balance of that calendar year.

Those employees hired after November 30th will not be eligible to participate in the TWSA program until the following calendar year.

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## Taxable Wellness Spending Account (TWSA)

### Who administers reimbursement from the Taxable Wellness Spending Account (TWSA) eligible expenses?

**Answer:** Sun Life, the University's health and dental insurance carrier, also administers the TWSA.

### What type of expenses may I claim under the TWSA?

**Answer:** Eligible expenses must support health and wellness for the employee only (*i.e. spouses/dependent expenses are not eligible*). Eligible expenses include goods and services such as the following. The expense must be listed on the TWSA form to be covered.

#### Fitness-related services

- Fitness club memberships
- Registration fees for fitness-related programs or lessons such as aerobic classes, yoga, dance lessons and figure skating
- Sport team membership and registration fees
- Annual memberships, such as golf
- Court fees, green fees, ski passes, lift tickets and race registrations
- Personal trainers, fitness consultants, lifestyle consultants and exercise physiologists

#### Fitness Equipment

- Equipment such as treadmills, exercise bikes and universal gyms
- Skates, roller blades, bicycles, specialized athletic footwear, tennis racquets, golf clubs, safety helmets and specialized sports equipment

#### Health-related services

- Weight management programs (excluding food)
- Smoking cessation programs

- Nutrition programs and counselling
- Maternity services (prenatal classes and mid-wife services)
- Services of the following alternative health practitioners: reflexologist, iridologist, herbalist, homeopath, athletic therapist, Chinese medicine practitioner, shiatsu therapist.
- Stress management programs
- Cholesterol and hypertension screening
- First aid and CPR training
- Health assessments
- Allergy tests
- Vitamins and supplements including herbal products
- Other alternative wellness services: reiki, ayurvedic medicine, touch therapy, rolfing and light therapy

### Other Services

- Services of professionals for estate planning, financial counselling, tax return preparation and will preparation
- Insurance premiums paid for critical illness, life and long term care
- Child care expenses
- Elder care expenses
- Hobby and general interest classes/courses unrelated to professional development.

### May I carry forward my unspent TWSA balance to the next year?

**Answer:** Yes. Unused TWSA balances can be carried forward and combined with new TWSA allocations for the following calendar year. At the end of the second calendar year, any balances remaining from the previous will be forfeited.

### Can I submit claims for my family under the TWSA?

**Answer:** No. The TWSA is strictly for claims for University of Guelph employees only. No payment will be made for items or services purchased by or for any dependents.

### Is my TWSA a taxable benefit?

**Answer:** Yes. Unlike the PDR or HCSA, any TWSA reimbursements to you are a taxable benefit, and will be reported on your T4. Your T4 will include any claim amounts paid to you within the calendar year that you receive the payment. Starting with any January 1, 2019 reimbursements, income tax related to this benefit will not be deducted from an employee's pay. Any required tax will be payable at the time the employee files their annual income tax return.

### How do I submit TWSA claims?

**Answer:** TWSA claims must be submitted using the [Taxable Wellness Spending Account Claim Form](#) [1].

Completed claim forms must be submitted by email ([myclaims@sunlife.com](mailto:myclaims@sunlife.com) [2]) or mailed to:

Sun Life Assurance Company of Canada  
PO Box 2010 Stn  
Waterloo, ON, N2J0A6

Submitted claim forms must include an original receipt or other original proof of payment for every item claimed. The documentation must clearly outline the type of expense and amount you are claiming as well as the date the expense was incurred. Some receipts may be more difficult to obtain than others. For example, a fitness club membership is typically paid monthly through automatic bank withdrawals or credit card payments. In this case, as proof of payment, you may submit a bank statement, if the type of expense is clearly indicated and the statement itself is identifiable as relating to your bank account or, if you prefer, ask your fitness club or service provider for a valid receipt.

### How do I know my TWSA balance?

**Answer:** You can find out your TWSA balance on the [Sun Life Member Services](#) [3] site at or by contacting the Sun Life Customer Service Centre at 1-800-361-6212.

### Can I carry forward expenses into the next calendar year?

**Answer:** No, you may only claim for expenses in the calendar year that they are incurred. You cannot carry forward expenses and claim them in the following calendar year.

### How long do I have to submit a TWSA claim?

**Answer:** You should always try to submit your claims as soon as possible during the year in which you made the expense. However, you have until March 31<sup>st</sup> of the following year to submit expenses you incur during the current year.

### Can I have my service provider directly submit a TWSA claim to Sun Life?

**Answer:** No. Because of the taxable nature of the TWSA, you must personally submit your TWSA claims to Sun Life.

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#### Source

**URL:** <https://www.uoguelph.ca/hr/staff-faculty/benefits/canadian-union-public-employees-cupe-1334-benefits/taxable-wellness-0>

#### Links

[1] [https://www.uoguelph.ca/hr/system/files/TWSA%20Claim%20Form\\_3.pdf](https://www.uoguelph.ca/hr/system/files/TWSA%20Claim%20Form_3.pdf) [2] <mailto:myclaims@sunlife.com> [3] <http://www.mysunlife.ca/>