



Nick Godfrey Insurance
Employee Benefits Specialist

Understanding Employee Benefits

A Business Owner's Guide

Prepared for business owners considering an employee benefits plan.

This guide explains the value of employee benefits, the tax advantages, and the options available for businesses of all sizes.

Did You Know?

Health and dental benefits are received **tax-free** by employees, while the premiums paid by the company are a **deductible business expense**. This can make providing benefits more tax-efficient than paying employees additional taxable salary to cover healthcare costs.

Why Offer Employee Benefits?

A benefits plan is more than an expense—it is an investment in your employees and your business.

- Recruit and retain quality employees.
- Improve morale and productivity.
- Help employees manage rising healthcare costs.
- Provide financial security for employees and their families.
- Demonstrate that you are an employer of choice.

The Tax Advantage

One of the biggest advantages of a group benefits plan is its favourable tax treatment.

- Employer-paid premiums are generally deductible business expenses.
- Health and dental benefits are generally received tax-free by employees.
- Benefits are often more tax-efficient than paying additional taxable salary.

Some insured benefits, such as employer-paid group life insurance, are considered taxable benefits to employees. We can explain the tax treatment of each benefit when reviewing your options. Always consult your accountant regarding your specific tax situation.

Your Benefit Options

Health & Dental

- Prescription drugs
- Dental care
- Vision care
- Physiotherapy, chiropractic, massage and other paramedical services
- Emergency travel coverage
- Healthcare Spending Accounts (HCSA)

Income & Family Protection

- Life Insurance
- Accidental Death & Dismemberment (AD&D)
- Long-Term Disability
- Critical Illness Insurance
- Employee Assistance Program (EAP)
- Virtual Healthcare

Flexible Plan Designs

- Traditional insured benefits
- HCSA-only plans
- Hybrid plans combining insured benefits with an HCSA
- Different benefit levels for owners, managers and employees

How We Help

Every business is different. Using your employee census, we can prepare several plan designs that balance coverage, flexibility and cost.

- Review your objectives and budget.
- Compare multiple insurance providers.
- Explain the differences in plain language.
- Recommend a plan tailored to your business.

Next Steps

There is no obligation. The next step is simply to design a plan that meets your needs, review a proposal and compare your options.



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Employee Benefits Specialist

Nick Godfrey Insurance Inc.
Employee Benefits Broker

Helping Ontario businesses build sustainable employee benefit plans.

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We work with Canada's leading insurance companies and benefit providers to help you find the plan that best fits your needs and budget.