



Process for Terminating a Domestic Partnership for Benefit Purposes

This document outlines the process for terminating a domestic partnership for UW System employee benefit purposes. It also summarizes how to remove a domestic partner and partner's children from benefit plans.

Qualification of a Domestic Partnership for Benefit Purposes

A domestic partnership is considered terminated once it no longer meets the qualifications of a domestic partnership as set forth in Wisconsin Statute §40.02(21d):

- Each individual is at least 18 years old and competent to enter into a contract;
- Neither individual is married to, or in a domestic partnership with another person;
- Their partnership must not violate Wis. Stats. 765.03, which bars marriage between certain persons based on kinship and divorce;
- They must consider themselves to be members of each other's immediate family;
- They must agree to be responsible for each other's basic living expenses;
- They share a common residence. It is considered to be sharing a common residence even if any of the following conditions apply:
 - Only one partner has legal ownership of the residence (if ownership is applicable).
 - One or both partners have additional residences not shared with the other partner.
 - One partner leaves the common residence with the intent to return.

Two Types of Domestic Partnerships for Employee Benefit Purposes

There are two different types of domestic partnerships for benefit purposes – a Chapter 40 and a UW System domestic partnership. You must first determine what type of domestic partnership is in effect and then follow the applicable process. If you are unsure about which process to follow, contact your [UW payroll and benefits office](#).

- **Chapter 40 domestic partnership:** You created a Chapter 40 domestic partnership if you submitted a Department of Employee Trust Funds (ETF) [Affidavit of Domestic Partnership \(ET-2371\)](#) directly to ETF to establish a domestic partnership for all benefits authorized by Chapter 40 of Wisconsin Statute. These benefits include State Group Health Insurance, State Group Life Insurance and the Wisconsin Retirement System. If your domestic partner is covered on your health insurance, you established a Chapter 40 domestic partnership. If you established a Chapter 40 domestic partnership, you could have covered your partner on all employee benefit plans, including non-Chapter 40 benefits.

NOTE: If you created a UW System domestic partnership with the same partner prior to establishing a Chapter 40 domestic partnership, you must follow the process for terminating a Chapter 40 domestic partnership.

- **UW System domestic partnership:** You created a UW System domestic partnership if you submitted a [UWS Affidavit of Domestic Partnership \(UWS-50\)](#) to your UW institution or campus payroll and benefits office. This type of domestic partnership allows you to cover your domestic partner on all benefit plans except those authorized by Chapter 40 of Wisconsin Statute. If you established a UW System domestic partnership, you could have covered your partner on all non-Chapter 40 benefits including EPIC Benefits+, VSP Vision, Wisconsin Dental, Anthem DentalBlue, Individual and Family Group Life and Accidental Death & Dismemberment Life Insurance.

NOTE: If you created a Chapter 40 domestic partnership with the same partner after establishing a UW System domestic partnership, you must follow the process for terminating a Chapter 40 domestic partnership.

Process for Terminating a Chapter 40 Domestic Partnership

1. Only one of the partners is required to submit a complete and notarized ETF Affidavit of Termination of Domestic Partnership (ET-2372): <http://www.etf.wi.gov/publications/et2372.pdf> to ETF.
2. Submit affidavit to ETF within 30 days of the dissolution of the domestic partnership.
3. Employee must submit a copy of the affidavit to the appropriate UWS payroll and benefits office in order to document the termination of the partnership for all benefits plans.
4. Once an ETF Affidavit of Termination of Domestic Partnership (ET-2372) is filed, an employee cannot enroll a different domestic partner under any benefit plans for at least 6 months.

Process for Terminating a UW System Domestic Partnership

1. If an employee has never created a Chapter 40 domestic partnership, one of the partners is required to submit a complete and notarized UWS Affidavit of Termination of Domestic Partnership (UWS-51): <http://www.uwsa.edu/hr/benefits/ins/uws51.pdf> to the appropriate UWS payroll and benefits office.
2. Submit affidavit to UWS within 30 days of the dissolution of the domestic partnership.
3. If both partners are UWS employees, a copy of the UWS affidavit should be submitted to the payroll & benefits office of both employees (or each employee can submit a separate affidavit, if desired)
4. If an employee has created a Chapter 40 domestic partnership, the employee is not eligible to use the UWS Affidavit of Termination of Domestic Partnership (UWS-51) to terminate the domestic partnership for benefit purposes.

Process for Terminating a Domestic Partnership due to Marriage

1. A domestic partnership ends on the date of marriage - you are not required to submit an Affidavit of Termination of Domestic Partnership.
2. If you carry domestic partner coverage under any benefit plans, you should submit an application to update the relationship of your domestic partner to that of a spouse.
3. For all benefit plans except State Group Health Insurance and AD&D, if you did not add your domestic partner to coverage within 30 days of establishing your domestic partnership, you do not have a new enrollment opportunity due to marriage. You have 30 days from your marriage date to add your spouse to State Group Health Insurance. You can enroll in family coverage under AD&D at any time.
4. Upon marriage, if you no longer have any non-tax dependents, your monthly insurance premiums for VSP, Anthem DentalBlue, Wisconsin Dental and EPIC Benefits+ should not be taken post-tax and you will no longer be subject to any imputed taxes for health insurance. You should confirm with your payroll and benefits office that these changes are made.

Effective Date of Termination of Domestic Partnership for Benefit Purposes

A domestic partnership is considered terminated on the earliest of the following dates:

1. The date a valid [ETF Affidavit of Termination of Domestic Partnership](#) (ET-2372) is filed with ETF. If an ETF affidavit is filed, it will apply to all benefits.
2. The date a valid [UWS Affidavit of Termination of Domestic Partnership](#) (UWS-51) is filed with UW System. If a UWS affidavit is filed, it will apply to non-Chapter 40 benefits only. An employee may only submit a UWS affidavit if a Chapter 40 domestic partnership was never created.
3. The date of marriage. An employee must submit new enrollment applications to add "spouse" to coverage.

4. The date one of the domestic partners files an Affidavit of Domestic Partnership (either an ET-2372 or UWS-50) naming a different domestic partner. A new domestic partner cannot be added to health insurance until the prior domestic partnership has been terminated for six months.
5. The date UWS or ETF determines that the partnership no longer meets the qualifications of a domestic partnership as outlined in Wis. Stats. §40.02 (21d).
6. Upon the death of one of the domestic partners.

Removing a Domestic Partner from Benefit Plans

If a domestic partnership ends, coverage for the domestic partner and his or her dependent children terminates at the end of the month in which the relationship ends. The employee is responsible for submitting benefit applications to remove the domestic partner and partner's children from coverage within 30 days of the partnership end date. The former partner and partner's children may be eligible for continuation and/or conversion rights if notification of the termination of domestic partnership is receiving timely.

If a domestic partnership ends, employees should review and/or update any beneficiary designations that name the domestic partner and/or partner's children as a beneficiary to receive benefits payable upon death. Plans that may have benefits payable upon death include State Group Life Insurance, EPIC Benefits+ (small accidental death policy), Individual and Family Group Life, Accidental Death & Dismemberment Life, UW Employees Inc Life, University Insurance Association (UIA) Life. The value of an employee's Wisconsin Retirement System, Wisconsin Deferred Compensation and Tax-Sheltered Annuity accounts are also payable upon death.

All enrollment applications and most beneficiary designations are available online at:
<http://www.uwservice.wisc.edu/forms.php>.

Change to Taxation of Benefits upon End of Domestic Partnership

A domestic partner and a partner's children are usually not considered "tax dependents" under federal law. If an employee covers a domestic partner and the partner's children on a family health insurance policy, the fair market value of the health insurance benefits provided to the partner and partner's eligible dependents is included in the employee's gross income. This amount is considered "imputed income" and increases the employee's payroll taxes.

If an employee covers a domestic partner or partner's children on VSP Vision Insurance, EPIC Benefits+, Dental Wisconsin or Anthem DentalBlue Dental Insurance, the premium will be taken on a post-tax basis.

Provided an employee has no other non-tax dependents covered under any benefit plans after the domestic partner and partner's children are removed from coverage, the employee will no longer have any imputed income and increased payroll taxes associated with health insurance and the employee's premiums for vision and dental coverage may be taken on a pre-tax basis.

When an employee removes a domestic partner and partner's children from coverage, the employee should also confirm the tax status of all remaining dependents with his/her UW payroll and benefits office to ensure that the payroll system is updated correctly and the employee is not improperly taxed.

Resources

[ETF's Domestic Partner Benefit webpage](#)

[UWSA's Domestic Partner Benefits webpage](#)

[UW System's Inclusivity Initiative for LGBTQ people](#)

[ETF's Domestic Partner Benefit Brochure](#)

[UW Service Center's Imputed Tax webpage](#)

[LGBTQ Inclusivity Initiative Resource page](#)

Every effort has been made to ensure that this information is correct and current. However, the terms and conditions of UW benefits programs are established by state and federal laws and regulations, the relevant contracts, and the policies of the Board of Regents. These sources of authority have control over the information in this fact sheet to the extent there are any differences or conflicts.