

## Workstream Appreciation

Are you seeking to celebrate the holidays or company achievements/ milestones with tax advantaged (de minimis) gift for all employees or a group of employees?

Issue: Many companies use low value gift cards as rewards assuming that these low value rewards are within the de minimis exemption. However, pursuant to IRS letter ruling 200437030, (April 30, 2004), gift cards are cash equivalents and therefore outside the de minimis fringe benefit exemption.

“Because cash or cash equivalents like gift certificates have a readily ascertainable value, they do not constitute de minimis fringe benefits because they are not unreasonable or administratively impractical to account for.”

Solution: Workstream Rewards has developed a Team Appreciation recognition solution that:

- Maximizes the communications opportunity with integrated messaging from the senior leadership team
- Provides a nominal gift that complies with IRS guidelines (subject to individual corporate interpretation of the current tax environment)
- Reduces management time and effort with a Web-based solution
- Is scalable to support thousands of employees with the most secure, robust solution available



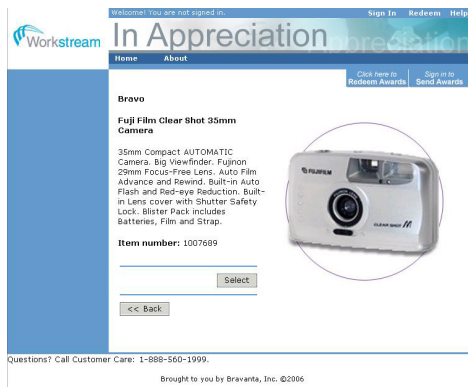
### EXECUTIVE MESSAGE

### AWARD OPTIONS

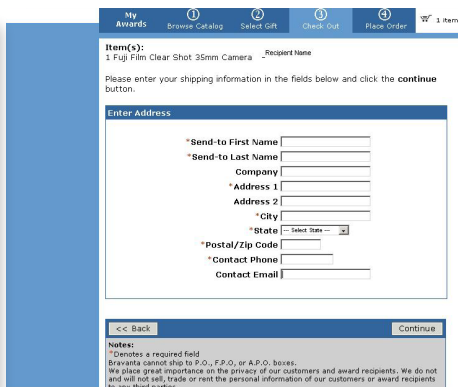


## REDEMPTION PROCESS

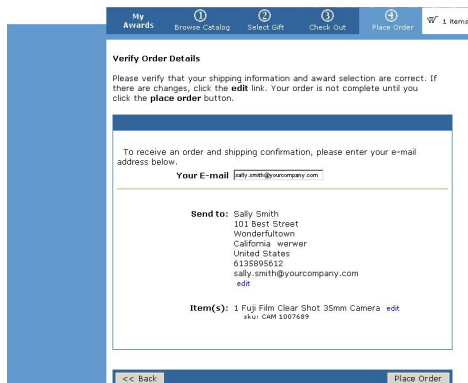
### 1. Choose Award



### 2. Enter Shipping Information



### 3. Verify Order



#### Disclaimer:

*The information on this document is for informational purposes only. Workstream Inc., and its affiliates and content licensors assume no liability for any inaccurate, delayed or incomplete information, nor for any legal actions taken in reliance thereon. The information contained about the "de minimis fringe benefit exemption" has been supplied without an advance ruling from the IRS. The information provided is therefore subject to change. Prior to making any decision, it is recommended that you consult a qualified tax advisor.*

#### About Workstream Inc.

Workstream provides enterprise workforce management solutions and services that help companies manage the entire employee lifecycle – from recruitment to retirement. Workstream's TalentCenter provides a unified view of all Workstream products and services including Recruitment, Benefits, Performance, Compensation, Development and Transition. Access to TalentCenter is offered on a monthly subscription basis under an on-demand software delivery model to help companies build high performing workforces, while controlling costs. With 9 offices across North America, Workstream services customers including Chevron, The Gap, Home Depot, Kaiser Permanente, Motorola, Nordstrom, Samsung, Sony Music Canada, VISA and Wells Fargo. For more information visit [www.workstreaminc.com](http://www.workstreaminc.com) or call toll free 1-866-470-WORK.



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