Exhibit I

STATE INCOME TAX WITHHOLDING AND
REPORTING FOR SAME-SEX SPOUSE FRINGE BENEFITS
(As of June 2, 2014)

States with No Income Tax on Wages – No issue.	Alaska, Florida, Nevada, South Dakota, Texas, Washington, Wyoming, New Hampshire, and Tennessee (the last two tax interest and dividend income only)
States with Income Tax on Wages that Recognize Marriages of Same-sex Couples– Fringe benefits provided by an employer to the same-sex spouse of an employee should not be taxable in these states.	California, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New Mexico, New York, Pennsylvania, Oregon,[1] Rhode Island, and Vermont
States Recognizing Out-Of-State Marriages of Same-sex Couples for Tax Filing Purposes – Fringe benefits provided by an employer to the same-sex spouse of an employee should not be taxable in these states.	Colorado, Missouri, and Utah[2]
Non-Recognition States (with income tax system that "conforms" with federal tax system) that have not issued guidance on tax treatment of same-sex spouse benefits – Because state income tax is calculated using Federal adjusted gross income (which will not include imputed income for coverage of an employee's same-sex spouse) and these states generally follow the Federal withholding rules, it appears that state income tax withholding and reporting on the imputed cost of fringe benefits provided to a same-sex spouse should <u>not</u> be required at this point in these states.	Alabama,[3] Arizona,[4] Idaho,[5] Indiana,[6] Kansas,[7] Michigan,[8] Montana,[9] North Dakota,[10] South Carolina,[11] Virginia,[12] and West Virginia[13]

Non-Recognition States (with income tax system that "conforms" with federal tax system) that have issued guidance suggesting inclusion of imputed income for fringe benefits provided to an employee's same-sex spouse – These states have issued guidance stating either that (a) for state income tax filings, Federal adjusted gross income should be recalculated to include imputed income for same-sex spouse health benefits, or (b) state income tax filings should be based on Federal adjusted gross income that would have been provided prior to the issuance of IRS Revenue Ruling 2013 -17 (which suggests that imputed income for such benefits should be included). As a result, in the absence of other guidance, it appears that employers may want to impute income for state withholding and reporting purposes to the extent they would like to avoid any state tax compliance concerns in these states.	Georgia,[14] Kentucky,[15] Louisiana,[16] and Oklahoma[17]
Non-Recognition States (with income tax system that "conforms" with federal tax system) that have issued guidance requiring inclusion of imputed income for fringe benefits provided to an employee's same-sex spouse – These states have provided guidance requiring that employers impute income on health benefits provided to same-sex spouses for withholding and/or reporting purposes. As a result, it appears that, until further guidance is issued, employers should impute income for state income tax purposes to the extent they want to ensure that they are compliant with the withholding and reporting rules in these states.	Nebraska,[18] North Carolina,[19] Ohio,[20] and Wisconsin[21]
Non-Recognition States (with income tax system that does not "conform" with federal tax system) – It appears that separate state income tax withholding and reporting for the cost of same-sex spouse benefits should be done in these states.	Arkansas[22] and Mississippi

[1] **Oregon:** On May 19, 2014 a judge in Oregon overturned the state's same-sex marriage ban and did not stay the decision, permitting the state to begin issuing marriage licenses. On May 29, the National Organization for Marriage filed an application with the United States Supreme Court to stay the decision and permit it to appeal.

[2] **Utah:** Guidance on joint filing of Utah tax returns is limited to filings for 2013 only. In December 2013 a judge ruled Utah's ban on same-sex marriages unconstitutional. The ruling was stayed pending appeal on January 6, 2014. In April 2014 a judge decided that the state must recognize marriages performed in December 2013 and January 2014 before the stay.

[3] **Alabama:** "Same-sex couples who file a joint federal income tax return must allocate the federal income tax liability shown on the couple's joint federal return to each individual, based on the ratio of the individual's separate

federal adjusted gross income (AGI) to the combined federal AGI." http://revenue.alabama.gov/incometax/Tax-Guidance.pdf.

[4] **Arizona:** "Each taxpayer will determine his or her share of the federal adjusted gross income reported on their joint federal income tax return. Each taxpayer will use his or her share of the amounts to complete his or her Arizona individual income tax return. Only one Arizona Schedule S is to be completed by the couple; and a copy of Arizona Schedule S must be attached to each taxpayer's Arizona individual income tax return" (see instructions to Schedule S). http://www.azdor.gov/News/tabid/74/newsid530/476/A-New-2012-Individual-Income-Tax-Form-is-now-Available-For-Same-Sex-Couples-That-File-A-Joint-Federal-Tax-Return-To-Determine-Their-Starting-Point-For-Their-Arizona-Single-Returns-/Default.aspx.

[5] **Idaho:** "Recompute your federal income tax return as if you had used either the single (or head of household, if qualified) filing status." http://tax.idaho.gov/forms/EIN00046_11-22-2013.pdf, at 5. In May 2014, a judge overturned Idaho's ban on same-sex marriage; the decision is stayed pending appeal.

[6] **Indiana:** "In order to calculate Indiana income tax liability, same-sex spouses who file federal returns with a married filing status must each complete a "sample" federal return (IRS Form 1040), entering information as if single." http://www.in.gov/dor/4895.htm.

[7] **Kansas:** "Same-sex individuals who file a joint federal income tax return must complete a worksheet that will be available at www.ksrevenue.org to show the amount of income as reported on the joint federal return that is allocable to each individual, and determines the federal adjusted gross income to be used by each individual for Kansas tax purposes." http://www.ksrevenue.org/taxnotices/notice13-18.pdf.

[8] **Michigan:** "Each individual who has income attributable to Michigan and who has filed a joint return with the IRS as a same-sex couple must separately report adjusted gross income (AGI) for Michigan income tax as a single filer. Each individual must recalculate their federal adjusted gross income as if they had filed a single federal return." http://www.michigan.gov/documents/taxes/DOMAnotice_434103_7.pdf. In March 2014, a judge ruled Michigan's ban on same-sex marriage unconstitutional; the decision is stayed pending an appeal.

[9] **Montana:** https://revenue.mt.gov/Portals/9/committees/Revenue_Transportation/2013-2014/october/Discussion_of_Same_Sex_Marriage.pdf (pertains to filing status only).

[10] **North Dakota:** "If the individuals file a joint federal income tax return, they must complete Schedule ND-1S, Allocation of Income by Same-Sex Individuals Filing a Joint Federal Return. This is a supplemental schedule to Form ND-1 on which the individuals will determine their separate shares of the adjusted gross income and taxable income amounts reported on their joint federal income tax return." http://www.nd.gov/tax/indincome/pubs/guide/same-sexmarriageguideline.pdf?20131223172303.

[11] **South Carolina:** "To prepare Form SC 1040, each individual must first prepare a "separate" federal income tax return for South Carolina purposes only (pro forma federal income tax return) using a filing status of single or head of household and complete it as though the individual is not married." http://www.sctax.org/NR/rdonlyres/EFB2ADDB-503F-4504-B2E6-868FAACC14FA/0/RR141.pdf.

[12] **Virginia:** "Because the computation of an individual's Virginia taxable income begins with his or her federal adjusted gross income ("FAGI") pursuant to Va. Code § 58.1-322, affected individuals must create pro forma federal returns using a filing status of either "single" or "head of household" and must account for expenses and other factors on a separate basis. The recalculated FAGI and other tax attributes from the pro forma federal return must then be used when filing the single Virginia income tax return to determine Virginia taxable income." http://www.tax.virginia.gov/Documents/TB_13-13_DOMA.pdf. In February 2014, a judge ruled Virginia's ban on same-sex marriage unconstitutional; the decision is stayed pending an appeal.

[13] **West Virginia:** "When a joint federal return is filed pursuant to Internal Revenue Service Rule 2013-17, each individual is required to file a West Virginia State return (IT-140) claiming "single" as the filing status. Each individual must compute the adjusted gross income separately as if the federal adjusted gross income of each had been determined on separately filed returns." http://www.state.wv.us/taxrev/forms/2013/it140.forms-and-instructions.pdf, at 16.

[14] **Georgia:** "For Georgia purposes, recompute Federal Adjusted Gross Income (including adjustments such as imputed income on employer-provided health insurance, etc. that would be required federally if the person was single) and itemized deductions (if applicable) as if the person had filed a single Federal return." https://etax.dor.ga.gov/TaxLawandPolicy/DOMA_bulletin_10-25-2013.pdf.

[15] **Kentucky:** "Each taxpayer must provide the same federal income tax information on the Kentucky state return that would have been provided prior to the issuance of IRS Revenue Ruling 2013-17, 2013–38 I.R.B. 201 (August 30, 2013)." http://revenue.ky.gov/NR/rdonlyres/9BA15C3D-34CC-45FE-BFB6-0D346D93BAC5/0/KYTaxAlertNov2013.pdf. In February 2014, a court ruled that Kentucky must recognize same-sex marriages performed in other states; the decision is stayed pending an appeal.

[16] **Louisiana:** "If a taxpayer's federal filing status of married filing jointly, married filing separately or qualifying widow is pursuant to IRS Revenue Ruling 2013-17, the taxpayer must file a separate Louisiana return as single, head of household or qualifying widow, as applicable…The taxpayer must provide the same federal income tax information on the Louisiana State Return that would have been provided prior to the issuance of Internal Revenue Service Revenue Ruling 2013-17." http://www.rev.state.la.us/forms/lawspolicies/RIB%2013-024.pdf

[17] **Oklahoma:** "Taxpayers impacted by this rule must provide the same federal income tax information on the Oklahoma state return that would have been provided prior to the issuance of the IRS Ruling 2013-17." http://www.tax.ok.gov/upmin092713.html. In January 2014, a judge ruled Oklahoma's ban on same-sex marriage unconstitutional; the decision is stayed pending an appeal.

[18] **Nebraska:** "Because Nebraska does not recognize a same-sex marriage, employers may not exclude the value of an employer-provided health insurance plan for a same-sex spouse from an employee's income." http://www.revenue.nebraska.gov/question/same-sex_FAQ.html#ss3.

[19] **North Carolina:** Guidance does not specifically require inclusion of imputed income for withholding purposes, but contemplates that if amounts are not included in gross income during the taxable year, they should be added to the federal taxable wages reported on the Form W-2: "Because the value of coverage for the same-sex spouse is no longer included in federal taxable wages, an adjustment must be made to the federal taxable wages when preparing the federal pro forma return in determining taxable wages. This adjustment is made to include what would have previously been reported in taxable wages for federal purposes when the employee's spouse was not recognized as the employee's legal spouse. This additional amount of taxable wages should be included in the total State taxable wages on the wage and tax statement (W-2) issued by the employer. This addition is required because North Carolina does not recognize same-sex marriage and this addition results in the same taxable wages had the taxpayer not been considered married for federal purposes. " http://www.dornc.com/faq/ssmarriage_faq.html.

[20] **Ohio:** "Ohio employer withholding taxes shall be determined based on the taxable gross earnings amount of each employee as if it was calculated in a manner that does not recognize same-gendered marriages. Employers must therefore treat benefits provided to the same-gender spouses of employees and the dependent children of those spouses as imputed income for Ohio income and school district income tax employer withholding purposes. Employers shall determine employees' Ohio taxable gross earnings amounts in a manner consistent with this guidance and report these amounts on box 16 of federal Form W-2. These amounts must also be used in determining the employer's liability for withheld income and school district income tax." http://www.tax.ohio.gov/Portals/0/communications/information_releases/DOMA_EWH_InforRelease11142013.pdf. Ohio also has provided FAQs similar to those of Nebraska and Wisconsin: http://www.tax.ohio.gov/faq/tabid/6315/Default.aspx?QuestionID=2906&AFMID=11354. In April 2014, a judge ruled that Ohio must recognize same-sex marriages performed out of state; the decision is expected to be stayed pending an appeal.

[21] **Wisconsin:** "Because Wisconsin does not recognize a same-sex marriage, employers may not exclude from employee income the value of an employer-provided health insurance plan for a same-sex spouse unless the same-sex spouse qualifies as a dependent of the employee." http://www.revenue.wi.gov/faqs/ise/samesex.html#samesex7.

[22] **Arkansas:** In May 2014 a judge overturned Arkansas' ban on same-sex marriages. The ruling is stayed pending an appeal.