

IPERS Employer Bulletin 2007-1

DATE: March 19, 2007
TO: Reporting Officials
FROM: Donna M. Mueller, CEO
SUBJECT: Notice of FY2008 Contribution Rates and 2007 IRS Covered Wage Ceiling

CONTRIBUTION RATES FOR FISCAL YEAR 2008

IPERS' actuary completed the annual valuation and certified the contribution rates for fiscal year 2008 for sheriffs, deputy sheriffs, and members in other protection occupations. The legislature approved an increase in the rate for regular members.

The following rates are effective July 1, 2007–June 30, 2008:

	Member	Employer	Total Rate
Regular Members	3.90%	6.05%	9.95%
Protection Occupations	5.64%	8.47%	14.11%
Sheriffs and Deputy Sheriffs	7.70%	7.70%	15.40%

WAGE CEILING FOR CALENDAR YEAR 2007

Effective January 1, 2007, the Internal Revenue Code limitation that applies to IPERS-covered wages will increase from \$220,000 (in 2006) to **\$225,000 for calendar year 2007**. Wages paid to employees over \$225,000 in 2007 are not subject to IPERS withholding and should not be reported to IPERS. If an employee of your organization has more than one employer and exceeds the wage ceiling because of dual employment, IPERS will adjust the wages accordingly and notify you of the overpayment. Please make the appropriate changes to your payroll system for 2007.

INQUIRIES

For further information, contact the Employer Relations Bureau at 1-800-622-3849. Please refer to IPERS Bulletin 2007-1.