

IPERS Employer Bulletin 2017-2

DATE: October 26, 2017
TO: Reporting Officials
FROM: Donna M. Mueller, CEO
SUBJECT: Notice of FY2019 Contribution Rates and 2018 IRS Covered Wage Ceiling

CONTRIBUTION RATES FOR FISCAL YEAR 2019

IPERS' actuary completed the annual valuation and certified the following contribution rates for fiscal year 2019 (July 1, 2018–June 30, 2019). Iowa Code allows IPERS to set rates with the guidance of the actuary, using IPERS' Contribution Rate Funding Policy and the actuarial assumptions set by IPERS' Investment Board. Rates for Regular members will increase .85 percent. Rates for protection occupation members will increase .62 percent. Rates for sheriffs/deputy sheriffs will increase .76 percent.

Membership Group	Member	Employer	Total Rate
Regular members	6.29%	9.44%	15.73%
Sheriffs and deputy sheriffs	9.76%	9.76%	19.52%
Protection occupations	6.81%	10.21%	17.02%

WAGE CEILING FOR CALENDAR YEAR 2018

The Internal Revenue Code limitation that applies to IPERS-covered wages will be raised to \$275,000 for calendar year 2018, up from \$270,000. Wages paid to employees over \$275,000 in 2018 are not subject to IPERS withholding and should not be reported to IPERS. Please check your payroll system to ensure the correct wage ceiling has been entered.

If you have an employee who is employed by more than one covered employer and reaches the wage ceiling because of dual employment, IPERS will notify you and credit your organization for any overpayment to IPERS. If you submit wage reports through I-Que, you will receive this notification as an error message when you process the report, and your report will only allow you to submit wages and contributions up to the ceiling.

INQUIRIES

For further information, contact the Employer Relations Bureau at 1-877-473-7799. Please reference IPERS Employer Bulletin 2017-2.