

## *IPERS Employer Bulletin 2016-3*

DATE: October 27, 2016  
TO: Reporting Officials  
FROM: Donna M. Mueller, CEO  
SUBJECT: Notice of FY2018 Contribution Rates and 2017 IRS Covered Wage Ceiling

### **CONTRIBUTION RATES FOR FISCAL YEAR 2018**

IPERS' actuary completed the annual valuation and certified the following contribution rates for fiscal year 2018 (July 1, 2017–June 30, 2018). 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 and protection occupation members remain unchanged. Rates for sheriffs/deputy sheriffs will decrease 0.50 percentage point from fiscal year 2017.

<b>Membership Group</b>	<b>Member</b>	<b>Employer</b>	<b>Total Rate</b>
Regular members	5.95%	8.93%	14.88%
Sheriffs and deputy sheriffs	9.38%	9.38%	18.76%
Protection occupations	6.56%	9.84%	16.40%

### **WAGE CEILING FOR CALENDAR YEAR 2017**

The Internal Revenue Code limitation that applies to IPERS-covered wages will be raised to \$270,000 for calendar year 2017, up from \$265,000. Wages paid to employees over \$270,000 in 2017 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 refer to IPERS Employer Bulletin 2016-3.