

IPERS Employer Bulletin 2012-3

DATE: November 13, 2012
TO: Reporting Officials
FROM: Donna M. Mueller, CEO
SUBJECT: Notice of FY2014 Contribution Rates and 2013 IRS Covered Wage Ceiling

CONTRIBUTION RATES FOR FISCAL YEAR 2014

IPERS' actuary completed the annual valuation and certified the contribution rates for fiscal year 2014 for sheriffs, deputy sheriffs, and members in other protection occupations. Contribution rates for Regular members were determined using the actuarial valuation, but cannot change by more than 1 percentage point up or down each year.

The following rates are effective July 1, 2013–June 30, 2014:

	Member	Employer	Total Rate
Regular Members	5.95%	8.93%	14.88%
Sheriffs and Deputy Sheriffs	9.88%	9.88%	19.76%
Protection Occupations	6.76%	10.14%	16.90%

WAGE CEILING FOR CALENDAR YEAR 2013

The Internal Revenue Code limitation that applies to IPERS-covered wages will be **\$255,000** for calendar year 2013. Wages paid to employees over \$255,000 in 2013 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 limit because of dual employment, IPERS will notify you when the member has reached the wage limit and credit the employer account 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 limit.

INQUIRIES

For further information, contact the Employer Relations Bureau at 1-877-473-7799. Please refer to IPERS Employer Bulletin 2012-3.