



AMEND: 105-020-0015

RULE SUMMARY: Remove language referencing the conversion of an employee's compensation plan to a non-participating member's compensation plan upon reaching the salary limitation set forth in IRC § 401(a)(17) and ORS 238.005.105-020-0015.

CHANGES TO RULE:

105-020-0015

Employee Contributions and Limitations to Retirement

(1) The Department of Administrative Services shall deduct an employee's PERS contribution directly from the employee's wages, unless in conflict with rule, law or collective bargaining agreement.¶

(2) The contribution shall not be considered salary for income tax purposes.¶

(3) The employee's reported salary on the W-2 form shall be reduced by the amount of the employee's PERS contribution.¶

(4) A PERS participating member's employee contribution ceases when the participating member's salary reaches the salary limitation set forth in IRC § 401(a)(17). ~~Once a PERS participating member's salary reaches the salary limitation, the employee's compensation plan converts to a non-participating member's compensation plan for the remainder of the tax year. This only applies to participating members who first became a member of PERS after January 1, 1996. and ORS 238.005.~~ ¶

[Publications: Publications referenced are available from the agency.]

Statutory/Other Authority: ORS 184.340, 238.005, 240.145(3), 240.250, 26 USC § 414(h), IRC § 401(a)(17), OAR 459-005-0525

Statutes/Other Implemented: 26 USC § 414(h), ORS 238.200, 238.205, EO 94-23