

IPERS Employer Bulletin 2014-2

DATE: November 6, 2014
TO: Reporting Officials
FROM: Donna M. Mueller, CEO
SUBJECT: Notice of FY2016 Contribution Rates and 2015 IRS Covered Wage Ceiling

CONTRIBUTION RATES FOR FISCAL YEAR 2016

IPERS' actuary completed the annual valuation and certified the following contribution rates for fiscal year 2016 (July 1, 2015–June 30, 2016). 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 sheriffs/deputy sheriffs remain unchanged from fiscal year 2014, while the rates for protection occupation members will decrease.

Membership Class	Member	Employer	Total Rate
Regular members	5.95%	8.93%	14.88%
Sheriffs and deputy sheriffs	9.88%	9.88%	19.76%
Protection occupations	6.56%	9.84%	16.40%

WAGE CEILING FOR CALENDAR YEAR 2015

The Internal Revenue Code limitation that applies to IPERS-covered wages will be \$265,000 for calendar year 2015. Wages paid to employees over \$265,000 in 2015 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 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 limit.

INQUIRIES

For further information, contact the Employer Relations Bureau at 1-877-473-7799. Please refer to IPERS Employer Bulletin 2014-2.