

Working After Retirement

More Details About Changes

A few weeks ago, we gave you a heads-up about the legislative working-after-retirement changes. Here are more details.

Changes Taking Effect July 1, 2017

KPERS Retirees in KBOR Positions

Refer to "[New Exemption](#)" communications (June 26, 2017) for details about KPERS retirees working in positions covered by Board of Regents Mandatory Retirement Plan. And remember those June 17 end dates!

Independent and Third-Party Contractors

Generally, retirees working as independent contractors or through a third party (like temp staffing agency) have all the basic working-after-retirement rules.

But... they are exempt if all three of the following criteria are true. They will still have the "no pre-arrangement" and waiting-period rules.

3rd party

1. Not returning to a position similar to one held before retirement
2. Position activities are not normally performed exclusively by employees
3. Services are on a limited-term* basis

**statute does not define "limited-term"*

Independent contractor

1. Not returning to a position similar to one held before retirement
2. Position activities are not normally performed exclusively by employees
3. Position meets the [IRS criteria for an independent contractor](#)

Everything Else Stays the Same 7/1/17 – 12/31/17

- Still no prearrangements to return to work
- Still have a 60-day waiting period
- Retirees do not contribute
- Hardship exemption unchanged

Changes Taking Effect January 1, 2018

Highlights

- Waiting period based on age at retirement
- No more earnings limit
- No more exemptions
- Only two employer contribution rates
 - First \$25,000 (regular statutory rate)
 - After first \$25,000 (30%)
- No more contributions on non-covered positions

More to Come

We are updating materials and kpers.org to help with January 1 changes. We'll let you know when everything is ready.

Questions?

- Email employers@kpers.org
- Toll-free 1-888-275-5737
- In Topeka 296-6166

