

WORKING *after retirement*



For All KPERS Employers
Effective January 1, 2018

	Enroll & Contribute	Enroll & Don't Contribute
Position Types	Covered Positions ¹	Non-Covered Positions ²
Earnings Limit	None	None
Employer Contributions	First \$25,000: Statutory Rate Over \$25,000: 30% ³	No Contributions
Waiting Period⁴	Retire before age 62: 180 Days Retire age 62 or after: 60 days	

- 1 Not seasonal or temporary and requires at least 1,000 hours (630 for schools) of work per year
- 2 Seasonal or temporary and requires less than 1,000 hours (630 for schools) of work per year
- 3 Rate change to 30% starts with the first pay period after employee reaches \$25,000
- 4 Arrangements to return to KPERS employer not allowed anytime before KPERS retirement or during waiting period

Don't Enroll (still must follow no-prearrangement and waiting-period rules)

- Election poll workers
- Substitute teachers without contracts
- Legislative staff
- Positions covered by KBOR Mandatory Retirement Plan

KP&F retirees returning to work in a KPERS position become active KPERS members. Enroll them as a new member in **KPERS (plan 1)**. They are under the rules for no pre-arrangement and have a 30-day waiting period.

Enroll or Don't Enroll (3rd-party and independent contractors)

Is retiree returning to position similar to one held before retirement?

NO YES → **ENROLL**

Are position's activities normally performed exclusively by employees?

NO YES → **ENROLL**

If 3rd-party contractor,

Will 3rd-party contractor's services be used for a limited time?

YES → **DON'T ENROLL**

NO → **ENROLL**

If independent contractor,

Does position meet IRS criteria for an independent contractor?

NO YES → **DON'T ENROLL**

What's the same:

- ✓ **No prearrangements** to return to work
- ✓ **Penalties** for prearrangements
- ✓ Employees **do not** make contributions
- ✓ 60-day waiting period if retire on or **after age 62**

What's different:

- ✓ **No earnings limits**
- ✓ **No earnings-limit exemptions** (grandfather, hardship, etc.)
- ✓ **180-day waiting period** for retirees under age 62
- ✓ Employer pays **statutory rate** on first \$25,000 earnings and **30%** thereafter
- ✓ No employer contributions on **non-covered employees**

Questions?

- **Email:** kpersFS@kpers.org
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kpers.org/employers