

# WORKING after retirement



For All KPERS Employers  
Effective January 1, 2018

	Enroll & Contribute	Enroll & Don't Contribute
<b>Position Types</b>	Covered Positions <sup>1</sup>	Non-Covered Positions <sup>2</sup>
<b>Earnings Limit</b>	None	None
<b>Employer Contributions</b>	First \$25,000: <b>Statutory Rate</b> Over \$25,000: <b>30%</b> <sup>3</sup>	No Contributions
<b>Waiting Period<sup>4</sup></b>	Retire before age 62: <b>180 Days</b> Retire age 62 or after: <b>60 days</b>	

- 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?

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