



# Illinois Municipal Retirement Fund

Suite 500 2211 York Road Oak Brook, IL 60523-2337

Service Representatives 1-800-ASK-IMRF

www.imrf.org

## GENERAL MEMORANDUM

**Number:** 536

**Date:** July 8, 2005

**To:** All Authorized Agents

**Subject:** \$25 per month fee for delinquent Wage Reports

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### Executive Summary

We appreciate that the vast majority of our employers submit timely wage reports; this allows us to maintain accurate and up-to-date member records. However, a few employers are chronically late. These employers cause increased administrative costs that are borne by all employers. Effective September 1, 2005, those few chronic employers will be charged a \$25 per month fee for delinquent wage reports.

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### Background

For several years, IMRF has been rewriting all of our benefit and accounting information programs and systems. One goal of the new programs and systems is to maintain accurate and up-to-date member records.

Our new benefit and accounting information programs allow us to use the Web to share and collect information from employers and members, to include benefit estimates on Member Statements, and to more quickly calculate and pay a member's benefit.

However, all of these advantages are lost if an employer fails to submit its IMRF wage report in a timely manner. Delinquent and missing wage reports result in inaccurate member records, delayed benefit payments, and increased administrative costs—costs created by a few employers, but borne by all employers.

### Due dates

Monthly wage reports are due by the 10th of the month following the month being reported.

For example, January 2005 wage reports were

- Due February 10, 2005
- Late after February 20, 2005
- Delinquent after March 22, 2005

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**New \$25 per month fee for delinquent wage reports**

Effective September 1, 2005, a \$25 per month delinquent filing fee will be charged to an employer who submits its wage report more than 50 days after the due date. For example, the January 2005 wage report was due no later than the 20th of February. If it were not received until after March 22nd, a \$25 per month delinquent filing fee would be charged.

We believe the additional 30 days will allow employers to resolve occasional wage reporting problems they experience from time to time.

**Example of how delinquent fees are calculated**

Assume an employer has failed to submit any wage reports for 2005. If the monthly delinquent filing fee were in place today, the employer would be charged \$250:

- \$100 for January (January report due February 10th, delinquent fees begin March 22nd, four months late)
- \$75 for February (February report due March 10th, delinquent fees begin April 19th, three months late)
- \$50 for March (March report due April 10th, delinquent fees begin May 20th, two months late)
- \$25 for April (April report due May 10th, delinquent fees begin June 19th, one month late)

The monthly delinquent filing fee will be charged retroactive to the beginning of 2005. Since the delinquent filing fee will not begin until September 1, 2005, employers have the opportunity to submit any missing wage reports prior to that date in order to avoid the \$25 per month delinquent filing fee.

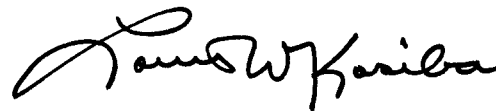
**Vast majority timely**

More than 99% of our employers submit accurate and timely wage reports. We want to avoid forcing all employers to share in increased administrative costs caused by a few employers. Therefore, we will charge those employers responsible for the increased costs a \$25 per month delinquent filing fee.

**Questions?**

If you have any questions regarding the delinquent filing fee, call 1-800-ASK-IMRF (1-800-275-4673) and ask for Richard DeCleene, Chief Financial Officer.

Sincerely,



Louis W. Kosiba  
Executive Director