



# Illinois Municipal Retirement Fund

2211 York Road Suite 500 Oak Brook IL 60523-2337

Member Services Representatives 1-800-ASK-IMRF

[www.imrf.org](http://www.imrf.org)

## GENERAL MEMORANDUM

**Number:** 566

**Date:** February 29, 2008

**To:** All Authorized Agents

**Subject:** Reporting taxable expense allowances as IMRF earnings

The Illinois Pension Code provides that the IMRF Board of Trustees defines what constitutes IMRF earnings and subsequently, what earnings are to be used in the calculation of IMRF benefits.

Expense allowances, even if they are taxable income to the member, are generally not considered IMRF earnings. However, an employer may elect—by governing body resolution—to report taxable expense allowances as IMRF earnings.

The governing body would complete IMRF Form 6.74, “Suggested Resolution to Include Taxable Expense Allowances as IMRF Earnings,” available from the forms area of [www.imrf.org](http://www.imrf.org). By resolution, the employer may include as IMRF earnings the following types of allowances:

- Uniform allowances
- Automobile allowances
- Travel allowances
- Moving expenses

If the governing body does not adopt the appropriate resolution, expense allowances are not considered IMRF earnings and would not be reported to IMRF.

Please note: non-taxable expense reimbursements are not included as earnings and are not to be reported to IMRF. This is true even if an employer elects to make taxable expense allowances reportable.

If you have any questions, please call an IMRF Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673) Monday through Friday, 7:30 a.m. to 5:30 p.m.

Sincerely,

Louis W. Kosiba  
Executive Director



# Suggested Resolution to Include Taxable Allowances as IMRF Earnings

IMRF Form 6.74 (02/08)

PLEASE ENTER Employer IMRF I.D. Number

## RESOLUTION

Number \_\_\_\_\_

**WHEREAS**, standard member earnings reportable to the Illinois Municipal Retirement Fund do not include expense allowances; and

**WHEREAS**, the governing body of an IMRF participating unit of government may elect to include in IMRF earnings all taxable expense allowances; and

**WHEREAS**, the \_\_\_\_\_ of the  
BOARD, COUNCIL, etc.

\_\_\_\_\_ is authorized to include  
EMPLOYER NAME  
taxable expense allowances as earnings reportable to IMRF and it is desirable that it do so.

**NOW THEREFORE BE IT RESOLVED** that the \_\_\_\_\_ of the  
BOARD, COUNCIL, etc.

\_\_\_\_\_ does hereby elect to  
EMPLOYER NAME  
include as earnings reportable to IMRF taxable expense allowances effective \_\_\_\_\_.  
EFFECTIVE DATE

**BE IT FURTHER RESOLVED** that \_\_\_\_\_ is authorized and directed  
CLERK OF SECRETARY OF THE BOARD  
to file a duly certified copy of this resolution with the Illinois Municipal Retirement Fund.

## CERTIFICATION

I, \_\_\_\_\_, the \_\_\_\_\_  
NAME CLERK OR SECRETARY  
of the \_\_\_\_\_ of the County of \_\_\_\_\_,  
EMPLOYER NAME COUNTY  
State of Illinois, do hereby certify that I am keeper of its books and records and that the foregoing is a true and correct copy  
of a resolution duly adopted by its \_\_\_\_\_ at a meeting duly convened  
GOVERNING BODY  
and held on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

SEAL

\_\_\_\_\_  
CLERK OR SECRETARY OF THE BOARD