

Your April 2008

Reminder

A monthly guide about IMRF topics of interest.

Route to:

- Authorized Agent
- Asst. to AA
- Personnel/HR
- Data Processing
- Payroll Dept.
- Accounting/Finance
- Other

Your IMRF Tax Levy

<p>Does your employer have an IMRF tax levy?</p>	<p>IMRF employers that are taxing bodies and have an IMRF tax levy should be aware of an important provision in the Illinois Pension Code regarding proper administration of the IMRF tax levy. Please ensure that a copy of this Reminder is given to the appropriate person(s) who oversees the levy.</p>
<p>Can part of the IMRF levy be used to balance another budget item?</p>	<p>The monies from your IMRF tax levy may not be used for any purpose other than employer IMRF costs.</p> <p>Unlike certain other funds, such as a general fund where resources may be transferred to meet budgetary needs, the Illinois Pension Code specifically provides that the revenue from your IMRF tax levy can be used only for required employer IMRF contributions. This ensures that your IMRF pension liability will be adequately funded.</p>
<p>What if the employer pays a member's IMRF contributions?</p>	<p>Monies from the IMRF levy may not be used to cover member contribution costs. If an employer wishes to pay for the cost of its members' contributions, the monies to cover the cost must come from a source other than the IMRF levy. Typically, that source is the same as the one for salaries or fringe benefits.</p>
<p>Can the IMRF tax levy be used to pay for ERI costs?</p>	<p>Monies from the IMRF tax levy may be used to pay the employer costs for IMRF Early Retirement Incentive (ERI). If an employer wishes to pay for a member's portion of an ERI, the monies to cover the cost must come from a source other than the IMRF levy.</p>
<p>Is there an exception if the IMRF fund is over funded?</p>	<p>You may not transfer monies from your IMRF tax levy even if your IMRF account is over funded. To compensate for an over-funded IMRF fund, you may adjust your next year's IMRF tax levy.</p> <p>Note: If your IMRF account is under funded, you may transfer funds into the IMRF account from other operating funds.</p>
<p>For more information</p>	<p>For more information on your IMRF tax levy, please see Section 7-171 of the Illinois Pension Code (40 ILCS 5/7-171), Section 7.25 in the Manual for Authorized Agents, or contact an IMRF Member Service Representative at 1-800-ASK-IMRF (1-800-275-4673).</p>



Employer Access, current forms, booklets, legislative information and more available at *IMRF Online*, www.imrf.org

Mailing address: 221 I York Road, Suite 500, Oak Brook, IL 60523-2337

Member Services Representatives: 1-800-ASK-IMRF (1-800-275-4673) Monday through Friday 7:30 a.m. to 5:30 p.m.