

EMPLOYER Notice

Ohio Public Employees Retirement System • 277 East Town Street • Columbus, Ohio 43215

Reminder: October 1 deadline for villages to submit pick-up plan documentation

Who should read this notice

Fiscal officers and payroll clerks for Ohio villages offering a pick-up plan for tax-deferred deductions to OPERS.

Situation Overview

The Internal Revenue Service (IRS) requires employers to provide specific written documentation about pick-up plans, if offered. This means that all employers offering a pick-up plan must send their current, board of directors-approved, pick-up resolution document to OPERS for review. Employers must submit documentation for all pick-up plans offered to employees including fringe benefit pick-up plans, salary reduction pick-up plans, and /or service purchase payroll deduction pick-up plans.

As previously announced, OPERS has established a staggered schedule for document review. Villages are next on the schedule for review. Villages that offer a pick-up plan must submit pick-up plan documentation to Employer Reporting no later than October 1, 2007.

What you need to do

If you offer a pick-up plan, you must:

- Review your records to make sure your documents are compliant with the IRS guidelines.
- If your current resolution is not compliant, your board of directors/trustees must draft, and pass, a new resolution that complies with the guidelines.
- Submit a compliant resolution for each of the pick-up plans you offer your employees to OPERS for review no later than October 1, 2007.

Employer Reporting has created resources to help you with this requirement. You may:

- Call Employer Outreach to request a brochure, *Pick-Up Plans: A Guide for Employers*. This brochure reviews all pick-up plan guidelines and includes sample resolutions.
- Access the *Employer Notice* with the headline: *IRS Ruling specifies pick-up plan documentation requirement* issued April 5, 2007. This document reviews the language required for pick-up resolutions. If you do not have this document archived, you can find it online at www.opers.org.

(More information on back)

Note:

All employers will be required to submit pick-up plan documentation to OPERS for review.

The deadline for villages that offer a pick-up plan is October 1, 2007.



1-888-400-0965
www.opers.org

Why this is important

The Internal Revenue Service requires that all employer pick-up plans are compliant with IRS Revenue Ruling 2006-43. With your help, we can ensure all employers' pick-up plans have been reviewed and revised (where necessary) by the Internal Revenue Service's due date of January 1, 2009.

Who to contact for more information

After you review this *Employer Notice*, contact your Employer Outreach representative with questions or to request a brochure at 1-888-400-0965 or via the Internet at employeroutreach@opers.org.

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