**CalPERS ID:**

**EMPLOYER RESOLUTION**

**TAX DEFERRED DEDUCTION PLAN**

**FOR SERVICE CREDIT PURCHASES**

WHEREAS, the Board of Administration of the California Public Employees’ Retirement System (CalPERS) at the April 1996 meeting approved a Tax-Deferred payroll deduction plan for service credit purchases under Internal Revenue Code (IRC) section 414(h)(2);

WHEREAS, the (Name of Agency) has the authority to implement the provisions of IRC section 414(h)(2) and has determined that even though implementation is not required by law, the tax benefit offered by this section should be provided to those employees who are members of CalPERS; and

WHEREAS, the (Name of Agency) elects to participate in the Tax-Deferred payroll deduction plan for all employees in the following CalPERS employee groups or classifications (i.e., miscellaneous, safety, police, fire, etc.):

(Membership Category OR Goup or Class)

**NOW, THEREFORE, BE IT RESOLVED:**

I. That the (Name of Agency) will implement the provisions of IRC section 414(h)(2) by making employee contributions for service credit purchases pursuant to the California State Government Code on behalf of its employees who are members of CalPERS and who have made a binding irrevocable election to participate in the Tax-Deferred payroll deduction plan. “Employee contributions” shall mean those contributions reported to CalPERS which are deducted from the salary of employees and are credited to individual employee accounts for service credit purchases, thereby resulting in tax deferral of employee contributions.

II. That the contributions made by the (Name of Agency) to CalPERS, although designated as employee contributions, are being paid by the (Name of Agency) in lieu of contributions by the employees who are members of CalPERS.

III. That the employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the (Name of Agency) to CalPERS.

IV. That the (Name of Agency) shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary, thereby resulting in tax deferral of employee contributions.

V. That the effective date for commencement of the Tax-Deferred payroll deduction plan cannot be any earlier than the date the completed resolution is received and approved by CalPERS.

VI. That the governing body of the (Name of Agency) shall participate in and adhere to requirements and restrictions of the Tax-Deferred payroll deduction plan by reporting Tax-Deferred payroll deductions when authorized by CalPERS for those employees of the above stated employee groups or classifications who have elected to participate in this plan.

**PASSED AND ADOPTED** by the governing body of the (Name of Agency) this (Day of Month e.g. 1st, 2nd, 3rd...) day of (Month), (Year).

BY \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 (Signature of Official)

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(Title of Official)