



California Public Employees' Retirement System  
P.O. Box 942715 | Sacramento, CA 94229-2715  
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

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## Announcements

# Circular Letter

September 2, 2020

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Distribution: VI, XII

**To: Public Agency and School Employers With an Existing Section 218 Agreement**  
**Subject: Social Security Tax Withholding for Rehired Annuitants**

### Purpose

The purpose of this Circular Letter is to inform you of updates to the Social Security Administration's (SSA) Program Operations Manual System (POMS).

### Section 218 Coverage Analysis for Rehired Annuitants

The SSA has updated the POMS to clarify the analysis regarding Section 218 coverage for rehired annuitants. This analysis is outlined in POMS [SL 30001.396](#) Rehired Annuitant Coverage under Section 218 and [SL 30001.397](#) Special Considerations for Rehired Annuitants – Ineligibles.

### Definition of a Rehired Annuitant

Under the SSA's rules, a rehired annuitant is a retiree of a state, political subdivision, or instrumentality who:

- Participated in a retirement system
- Is rehired by his or her former employer or another employer that participates in the same retirement system that the individual's pension is coming from; and
- Either is receiving a retirement benefit from the retirement system or has reached retirement age under the retirement system

## Questions

If you have a specific scenario that you would like us to review regarding withholdings for rehired annuitants, contact the State Social Security Administrator (SSSA) Office via email at [SSSA@calpers.ca.gov](mailto:SSSA@calpers.ca.gov) or call the SSSA Office directly at (916) 795-0810.

If you have any questions, visit [www.calpers.ca.gov](http://www.calpers.ca.gov), or contact the CalPERS Customer Contact Center at **(888) CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief  
Employer Account Management Division