

RESOLUTION NO. 2017-15

**RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS – IRC 414(h)(2)
EMPLOYER PICK-UP**

WHEREAS, the governing body of the Phelan Pinon Hills Community Services District (Name of Agency) has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the Phelan Pinon Hills Community Services District (Name of Agency) has determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefit offered by section 414(h)(2) IRC should be provided to PEPRA Miscellaneous members (All Employees, or All Employees In A Recognized Group or Class of Employment) who are members of the California Public Employees' Retirement System:

NOW, THEREFORE, BE IT RESOLVED:

- I. That the Phelan Pinon Hills Community Services District (Name of Agency) will implement the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code Section 20691 to the California Public Employees' Retirement System on behalf of all its employees or all its employees in a recognized group or class of employment who are members of the California Public Employees Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20691.
- II. That the contributions made by the Phelan Pinon Hills Community Services District (Name of Agency) to the California Public Employees' Retirement System, although designated as employee contributions, are being paid by the Phelan Pinon Hills Community Services District (Name of Agency) in lieu of contributions by the employees who are members of the California Public Employees' Retirement System.
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Phelan Pinon Hills Community Services District (Name of Agency) to the California Public Employees' Retirement System.
- IV. That the Phelan Pinon Hills Community Services District (Name of Agency) shall pay to the California Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.
- V. That the amount of the contributions designated as employee contributions and paid by the Phelan Pinon Hills Community Services District (Name of Agency) to the California Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the California Public Employees' Retirement Law (California Government Code Sections 20000, et seq.).
- VI. That the contributions designated as employee contributions made by Phelan Pinon Hills Community Services District (Name of Agency) to the California Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way

that member contributions are treated by the California Public Employees' Retirement System.

VII. That this resolution will become effective July 1st, 2017.

PASSED AND ADOPTED by the governing body of the Phelan Pinon Hills Community Services District (Name of Agency)

_____ this day of _____ (Date), _____ (Year).

BY

(Signature of Official)

(Title of Official)

RETURN ADDRESS:

FOR CALPERS USE ONLY

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Approved by: _____

Title: _____