

MEMORANDUM #11, 2015

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission
Five Middlesex Avenue, Suite 304, Somerville, MA 02145
Ph 617 666 4446 | Fax 617 628 4002 | TTY 617 591 8917 | www.mass.gov/perac

Philip Y. Brown, Esq., Chairman

Auditor Suzanne M. Bump | Kate Fitzpatrick | Elizabeth Fontaine | John B. Langan | James M. Machado | Robert B. McCarthy

Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: New Post-Retirement Limits on Employment for Disability Retirees

DATE: April 23, 2015

In accordance with Chapter 492 of the Acts of 2014, public employees receiving a disability pension may now earn an additional \$15,000 during a calendar year. This calculation will be based on total earnings without regard to the source of the earnings, public or private.

The additional earnings will be allowable for the calendar year that began on January 1, 2015 and will be reported on the member's Annual Statement of Earned Income for 2015 (to be filed in the Spring of 2016). Therefore, beginning in calendar year 2015, a disabled retiree will be allowed earnings of up to \$15,000 above the difference in the salary currently being paid for the position from which he/she retired and the member's retirement allowance.

Please note, the new law did not increase the number of hours that public retirees are allowed to work in the public sector. No retiree is allowed to work in excess of 960 hours, in the aggregate from all public sector employment, during a calendar year.

The attached Earned Income Worksheet may be used and provided to members to determine how much they may earn during a calendar year. This is an interactive form posted on PERAC's website and can be accessed at <http://www.mass.gov/perac/91AEarnedIncome.htm>.

Attachment