INSTRUCTIONS FOR POST-RETIREMENT EARNINGS WORKSHEET

Limits on Public Employment in Massachusetts for Retirees of a Public Retirement System

Massachusetts public retirees, who return to public employment with any governmental entity in Massachusetts, are subject to significant earnings and hourly service limitations under state retirement laws. These limitations apply to all persons retired from the public sector in Massachusetts who are receiving a superannuation or disability retirement allowance. The attached Excel worksheet has been designed to accurately calculate the Massachusetts post-retirement earnings limitations to which employees or new hires are subject.

Worksheet Instructions Although it seems to be a cumbersome worksheet that may entail retrieving information from other governmental entities, it is essential that all the updated data is inserted into the top grid entitled "MA Public Pension Information." This information should include total projected earnings and hours worked in other governmental entities. In accordance with the statutory earnings limitation provisions, the data should be based on a **calendar year** and should include all hours of work and all earnings received by the retiree from any Massachusetts governmental entity. If the employee is only being compensated by the respective employer on a non-hourly basis and such is stated within this top grid, as "Projected Non-hourly Annual Earnings from this employer Unit**", do not include such amount prorated in either lines "g" or "h" of the lower grid.**

- The form is designed for you to include relevant data in each of the appropriate **yellow cells**, including the top line entitled "Employer Unit/Department Name and Calendar Year".
- #### After inputting all the correct information into this top grid, the retiree's maximum allowable earnings for the calendar year will be automatically detailed in the second grid and totaled below it in the line entitled:
  "*A. Equals the maximum allowable amount for Public Retirees*"
- #### Once this amount is calculated, all you need to do is insert the estimated number of hours the retiree would be working during the calendar year and the corresponding hourly rate in lines "g" and "h"(yellow cells) in the next grid below.
- #### Since retiree's earnings limits are based on **both** total earnings and hours worked, the worksheet estimates excess earnings for each limitation. However, if a member is deemed in excess of both limits, only the larger applies. Such excess amount will be displayed in line :
  """“E. Estimated Amount deemed Excess'ḳȯ'Ecṛṇpf ct'[gct ”

Under statutory post-retirement earnings limits, this excess amount is to be repaid by the retiree to the respective treasurer or paying entity. If this amount is not repaid by the retiree, the treasurer may recover it. (Please refer to PERAC MEMO #28 of 2011 for more details on retiree earnings limits on www.mass.gov/perac.)