

MEMORANDUM #02, 2014

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission

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Robert B. McCarthy

Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: 2014 Limits under Section 23 of Chapter 131 of the Acts of 2010

DATE: January 6, 2014

Pursuant to Section 23 of Chapter 131 of the Acts of 2010, “regular compensation for any person who becomes a member of a retirement system after January 1, 2011 shall not include salary, wages or other compensation in whatever form in any calendar year in excess of 64 per cent (64%) of the annual limitation that may be imposed under federal law on the amount of compensation that may be taken into account when calculating benefits under plans described in 26 U.S.C. 401(a) including, but not limited to, the applicable limits for any calendar year under 26 U.S.C. 401(a)(17).”

For 2014, the general compensation limit found in U.S.C. 401(a)(17) is \$260,000, as outlined in PERAC Memorandum #1/2014. Thus the 2014 limit on regular compensation under G.L. 32 for persons who became members after January 1, 2011 is \$166,400.

Please contact our Actuary, Jim Lamenzo, if you have any questions.