



ADMINISTRATIVE RULES OF MONTANA



2.44.517A REPORTING OF TERMINATION PAY

- (1) A completed and signed Termination Pay Form together with the employee and employer contributions due must be received by the TRS by the 15th of the month, following the month in which the employee terminated employment. Only termination pay that is paid at the time of termination and retirement is reportable to the TRS.
- (2) Tax deferred contributions remitted by an employer cannot exceed the total termination pay amount payable to the employee. Any contributions due that are greater than the termination pay amount payable to the employee cannot be picked up by the employer.
- (3) Interest will be assessed at the actuarially assumed rate on employee and/or employer contributions over 30 days delinquent.
- (4) If contributions on termination pay are not received within 60 days of the effective date of retirement, monthly benefits calculated using termination pay may be recalculated and adjusted retroactive to the date of retirement.
- (5) If the member submits the employee contributions due but the employer refuses or does not timely remit the employer contributions due, the member will be given 30 days to work with the employer to remit contributions due before benefits will be recalculated.
- (6) The retiree and their employer will be notified in writing prior to assessing interest on unpaid contributions, or recalculating retirement benefits.

Authorizing statute(s): 19-20-201, MCA

Implementing statute(s): 19-20-101, 19-20-716, MCA

History: NEW, 1995 MAR p. 2122, Eff. 10/13/95; AMD, 2007 MAR p. 2121, Eff. 12/21/07.