

MEMO

To: Wayne Board of Education Retirees
From: Payroll Department
Re: Accumulated Sick Day Payout (Vacation Time, if applicable)

If you have accumulated time for unused sick days (or vacation time, if applicable), and are entitled to payment for them upon retirement, the following payment options are available to you:

1. You may receive full payment two weeks subsequent to your effective retirement date.
2. You may defer the full payment until the end of the tax year in which you retire. (The only exception to this is if you retire effective December 31st, your payment would not be made until the next tax year on January 15th.)
3. You may deposit your payment into a tax sheltered plan. However, you are REQUIRED by law to make this deposit WITHIN 2.5 months of your retirement date.

In order to receive payment, please complete the attached schedule and forward it to the Payroll Department.

It should be submitted one month prior to your effective retirement date.

Please consult with your accountant and/or tax shelter representative for tax purposes before submitting it, especially if you plan to make a deposit into your 403B account as there are maximum restrictions on the amount you may deposit.

If you have any questions, please call the Payroll Department at (973) 317-2124.

Accumulated Sick Day Payout Schedule

(Vacation Time, if applicable)

Printed Name: _____

Effective Retirement Date: _____

Email Address: _____

- A. Payment to be received two weeks subsequent to retirement
(Federal Taxes to be Withheld % _____ or Amount _____)

- B. Payment to be deferred and paid on: _____*
*Note: Must be a pay date before the end of the tax year, unless retirement date is December 31st
(Federal Taxes to be Withheld % _____ or Amount _____)

- C. Deposit to be made to a tax sheltered plan (must be within 2.5 months of retirement) **
(Company Name of Tax Sheltered Plan _____)

Signature: _____ Date: _____

In order to make contributions to a tax sheltered plan, you **must obtain a salary reduction form from the company that sponsors the plan, and submit the form to the Payroll Department.