

Human Resources Memorandum

SUBJECT: Lump Sum Deferral for End of the Year Separations	NUMBER: HR 17-021
	DATE ISSUED: November 20, 2017
DISTRIBUTION: All CDFW Employees	EXPIRES: N/A

As the end of 2017 quickly approaches, the Human Resources Branch (HRB) would like to remind employees preparing to separate and/or retire from State Service of the Lump Sum Deferral Options available to them. Employees separating ***on or before December 31, 2017*** have the option to contribute all or a portion of their Lump Sum Separation Pay into Savings Plus accounts which may allow them to maximize their contribution and/or defer their taxes.

Employees who separated from January 1, 2017, through October 31, 2017 **do not** qualify to defer their lump sum into the following tax year.

AUTHORITY

State Controllers' Office (SCO) Pay Letter #17-014
Internal Revenue Code (IRC) Section 415

PROCEDURE

Employee Responsibility

1. Complete the [Lump Sum Separation Pay Form](#) available through www.SavingsPlusNow.com and submit to your assigned Personnel Specialist **at least 5 workdays prior to your separation date.**

To accommodate necessary discussions that may affect timely completion of your paperwork and ensure deferral amounts are processed timely for the 2017 tax year, it is strongly recommended that employees provide their documents to their assigned Personnel Specialist ***as soon as possible.***

To ensure deferral amounts are processed timely for the 2017 tax year, the SCO must receive all documentation **no later than December 15, 2017.**

CONTACT

Should you have any questions or need assistance, please contact your assigned Personnel Specialist. Additional resources can be found on the www.SavingsPlusNow.com website.