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Announcements

Circular Letter

September 2, 2020

Circular Letter: 200-043-20

Distribution: VI, XII

To: Public Agency and School Employers With an Existing Section 218 Agreement
Subject: Social Security Tax Withholding for Rehired Annuitants

Purpose

The purpose of this Circular Letter is to inform you of updates to the Social Security Administration's (SSA) Program Operations Manual System (POMS).

Section 218 Coverage Analysis for Rehired Annuitants

The SSA has updated the POMS to clarify the analysis regarding Section 218 coverage for rehired annuitants. This analysis is outlined in POMS [SL 30001.396](#) Rehired Annuitant Coverage under Section 218 and [SL 30001.397](#) Special Considerations for Rehired Annuitants – Ineligibles.

Definition of a Rehired Annuitant

Under the SSA's rules, a rehired annuitant is a retiree of a state, political subdivision, or instrumentality who:

- Participated in a retirement system
- Is rehired by his or her former employer or another employer that participates in the same retirement system that the individual's pension is coming from; and
- Either is receiving a retirement benefit from the retirement system or has reached retirement age under the retirement system

Questions

If you have a specific scenario that you would like us to review regarding withholdings for rehired annuitants, contact the State Social Security Administrator (SSSA) Office via email at SSSA@calpers.ca.gov or call the SSSA Office directly at (916) 795-0810.

If you have any questions, visit www.calpers.ca.gov, or contact the CalPERS Customer Contact Center at **(888) CalPERS** (or **888-225-7377**).

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