



ANNUALIZED COMPENSATION

Employees who work less than twelve months per year may be paid over twelve months. This is called "annualized compensation." Annualized compensation gives you income during the summer months and makes it easy to pay your summer benefit premiums. Due to IRS regulations, (Sec 409A), you must make a written election to receive annualized compensation. IRS regulations provide that, once you have made an election, you may not revoke it for that school year. As with any income tax matter, contact your personal tax advisor if you have questions.

TERM/ Temporary Instructors are not eligible for annualized compensation.

New employees choosing annualized compensation must make this selection two (2) weeks before the first payment of the fiscal year.

The College will NOT annualize compensation for employees who fail to return this election form before Fall convocation.

PAYROLL ELECTION

Please initial beside your payroll election, sign, and return this form to the Payroll Department, HA Bldg. Room 112A.

_____ I elect annualized compensation. I understand my payroll deductions for taxes and benefits will be taken equally from each salary check through August.

_____ I do **not** elect annualized compensation and will be paid through May. I understand TSA and miscellaneous direct deposits will be continued during the summer months unless prior arrangements are made and group insurance will be accelerated to cover summer premiums.

CANCELLATION

_____ I authorize the cancellation of my annualized compensation.

EMPLOYEE ACKNOWLEDGEMENT

By signing this form, I acknowledge the following:

- No change can be made in this arrangement before the next fiscal year.
- This form will remain in effect until revoked or superseded by a new form.
- Changes made after the beginning of the fiscal year will be applied to the future school years.

Print Name

Signature

Date

Colleague ID