

1 [CalPERS - Pre-Tax Payroll Deduction Plan]

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3 **Resolution authorizing the City and County of San Francisco to implement a pre-tax**
4 **payroll deduction plan for all employees in CalPERS, pursuant to the Internal Revenue**
5 **Code Section 414(h)(2).**

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7 WHEREAS, the governing body of the City and County of San Francisco has the
8 authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC);
9 and,

10 WHEREAS, The City and County of San Francisco has determined that even though
11 the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax
12 benefits offered by section 414(h)(2) IRC should be provided to all Miscellaneous and all
13 Safety employees who are members of the California Public Employees' Retirement System;
14 and,

15 NOW, THEREFORE, BE IT RESOLVED:

16 I. That the City and County of San Francisco will implement the provisions of
17 section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to
18 California Government Code Section 20691 to the California Public Employees' Retirement
19 System on behalf of all its employees in a recognized group or class of employment who are
20 members of the California Public Employees' Retirement System. "Employee contributions"
21 shall mean those contributions to the California Public Employees' Retirement System which
22 are deducted from the salary of employees and are credited to individual employee's accounts
23 pursuant to California Government Code section 20691.

24 II. That the contributions made by the City and County of San Francisco to the
25 California Public Employees' Retirement System, although designated as employee

1 contributions, are being paid by the City and County of San Francisco in lieu of contributions
2 by the employees who are members of the California Public Employees' Retirement System.

3 III. That employees shall not have the option of choosing to receive the contributed
4 amounts directly instead of having them paid by the City and County of San Francisco to the
5 California Public Employees' Retirement System.

6 IV. The City and County of San Francisco shall pay to the California Public
7 Employees' Retirement System the contributions designated as employee contribution from
8 the same source of funds used in paying salary.

9 V. That the amount of the contributions designated as employee contributions and
10 paid by the City and County of San Francisco to the California Public Employees' Retirement
11 System on behalf of an employee shall be the entire contribution required of the employee by
12 the California Public Employees' Retirement Law (California Government Code sections
13 20000, et. seq.).

14 VI. That the contributions designated as employee contributions made by the City
15 and County of San Francisco to the California Public Employees' Retirement System shall be
16 treated for all purposes, other than taxation, in the same way that member contributions are
17 treated by the California Public Employees' Retirement System.