

RESOLUTION NO. 32 FOR 1994

A RESOLUTION TO DECLARE EMPLOYEE PAYMENTS INTO RETIREMENT PLANS AS "PRE-TAX" CONTRIBUTIONS.

WHEREAS, the voters in Oregon approved Ballot Measure 8, requiring all public sector employees to contribute 6% of their salary into their employer's retirement plan(s), and

WHEREAS, employees do not have the option of receiving the salary payment and paying the employee contribution directly; and

WHEREAS, the Internal Revenue Code Section 414(h)(2) provides that those contributions to be excluded from the employees' taxable income, and

WHEREAS, employees' reported salary on the W-2 form to tax purposes will be reduced by the amount of employees' contribution,

NOW, THEREFORE, BE IT RESOLVED THAT:

The City of Sweet Home does hereby declare employee payments into retirement plans as "pre-tax" contributions.

PASSED by the Council and approved by the mayor this 27th day of December 1994.



Mayor

ATTEST:



City Manager - Ex Officio City Recorder