**League of Minnesota Cities**

**HR Reference Manual**

**Compensation Chapter**

 **Social Security & Medicare Withholding Chart**

| **TYPE OF RETIREMENT PLAN** | **SOCIAL** **SECURITY** | **MEDICARE** |
| --- | --- | --- |
| **No qualified plan**(Includes elected officials who chose not to participate in a PERA plan and part-time, seasonal or temporary employees who don’t meet eligibility requirements for PERA.)  | Yes | Yes |
| **Coordinated Plan**(Includes city employees that are not directly involved in public safety work and who meet PERA Coordinated Plan eligibility requirements; generally, PERA membership is required for public employees filling non-elected positions whose salary from one governmental subdivision exceeding $5,100 per year. | Yes | Yes |
| **Basic Plan (plan closed to employees hired after 1967)** Hired on or before 3/31/86 Hired on or before 3/31/86 and elected Medicare participation in 10/89 referendum Hired after 3/31/86 | NoNoNo | NoYesYes |
| **Police & Fire Plan (must be directly engaged in police/fire protection)** Hired on or before 3/31/86 Hired after 3/31/86 | NoNo | NoYes |
| **Defined Contribution Plan**(Includes elected officials who chose to participate, volunteer ambulance personnel and some governmental physicians)Elected officials who were eligible for Coordinated  Plan before law change of 7/1/2002 or after Elected governing body officials elected for the first  time after 7/1/2002 Government physicians and city managers who opted out of the PERA Coordinated Plan Ambulance personnel \*Elected governing body officials elected for the first time after 7/1/2002 do not pay social security unless the city has extended voluntary social security participation under a Section 218 agreement modification made after 7/1/2006. | YesNo\*YesYes | YesYesYesYes |
| **Election Workers** Paid less than $1,900 per year in 2020\* Paid $1,900 or more per year in 2020\*\*(Limit is subject to adjustment.) | NoYes | NoYes |
| **Firefighter Relief Association** Compensated only as reimbursement for actual expenses (supported by receipts); no other wages Compensated as “paid on call” (majority of cities) | NoYes | NoYes |