

# ***Edited Content Extracted from: section 201-202.docx***

**\*\*Operations Manual Content for Editing:\*\***

---

**\*\*PART II. CONTRIBUTIONS (first chunk)\*\***

**\*\*SUB-PART A: REMUNERATION\*\***

**\*\*Section 201. Remuneration Defined\*\***

Remuneration, as defined in 41 PNC § 702(a)(21), is taxable and includes, but is not limited to:

- Hourly or daily wages
- Salaries
- Bonuses or awards
- Sales commissions (on products, equipment, land, housing, insurance, etc.)
- Shares of profits
- Back pay
- Land
- Pay advances
- Termination pay
- Tips
- Space and equipment rental
- The value of food and lodging provided (except in specific cases)

Remuneration must be actually or constructively paid to the employee for it to be taxable and credited to their account. It is deemed constructively paid when it is credited to the employee's account or set aside for them, making it available without restriction for immediate drawing. This applies when:

- The remuneration is credited or set aside for the employee and made available without restriction; or
- The employer intends to pay or set aside the remuneration when due, with failure due to clerical error or mistake in payment.

Remuneration earned before an employee's death but paid after their death should be credited to the quarter in which they died.

**\*\*Section 202. Maximum Remuneration\*\***

The maximum amount of remuneration received during a quarter from one employer by any one employee, upon which contributions must be deducted and contributed to the Retirement Fund, is three thousand dollars (\$3,000.00). This amount is subject to increase on October 1, 2007 (to four thousand dollars (\$4,000)), October 1, 2008 (to five thousand dollars (\$5,000)), October 1, 2015 (to six thousand dollars (\$6,000)), and October 1, 2017 (to eight thousand dollars (\$8,000)). On October 1, 2020, there will be no longer be a maximum amount of

remuneration.

**\*\*Reference(s):\*\***

- [41 PNC § 702(a)(21)] (Revised 06/01/2009)
- [41 PNC § 742] (Revised 03/13/14. See Section 7 of RPPL No. 9-12)

---