

Edited Content Extracted from: section 201-202.docx

PART II. CONTRIBUTIONS (first chunk)

SUB-PART A: REMUNERATION

Section 201. Definition of Remuneration

Remuneration, as defined in 41 PNC § 702(a)(21), refers to salary or wages and is taxable regardless of its name given by the employer or employee. It 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; and the value of food and lodging provided, except in specific cases such as household domestic workers, employees required to accept lodging on the employer's business premises as a condition of employment, and employees whose meals are provided at the employer's place of business for convenience.

Remuneration must be actually or constructively paid to an employee to be taxable and credited to their account. Constructive payment occurs when remuneration is credited to the account of, or set aside for, an employee, so that it may be drawn upon by the employee at any time, even if not yet received. The remuneration must be made available without restriction and must either be credited to or set aside for the employee, or the employer must intend to pay or set aside the remuneration when due to the employee.

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

[41 PNC § 702(a)(21)] (Revised 06/01/2009)

Section 202. Maximum Remuneration

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

[41 PNC § 742] (Revised 03/13/14. See Section 7 of RPPL No. 9-12)