

Service Request 82200
Covered Compensation Limit Changes for 2008
April 4, 2008

Objective:

Modify the PPS to update the Covered Compensation Limit with the 2008 rates.

Project Type:

PPS modification

Requested By:

Payroll Coordination and Tax Services

Analyst:

Julia Sills

Due Date:

The changes must be made available so that campuses can update their tables after the processing of June earnings has been completed but before the processing of any computes with July earnings.

Service Request 82200
Covered Compensation Limit Changes for 2008
April 4, 2008

The Internal Revenue Service has announced a cost of living adjustment applicable to the covered compensation limit for defined benefit retirement plans. Therefore, effective July 1, 2008, the new limits are as follows:

- The annual compensation limit for employees who became active University of California Retirement Plan (UCRP) members prior to July 1, 1994 has been increased from \$335,000.00 to \$345,000.00.
- The annual compensation limit for employees who became active UCRP members on or after July 1, 1994 has been increased from \$225,000.00 to \$230,000.00.

Attached is a System Parameter Table form (UPAY 559) displaying the new rates. The tolerance limit is blank because it is set locally. The changes must be made available to campuses so that they can update their tables after the processing of June earnings has been completed but before any computes with July earnings are processed.

Please make the rate changes available to campuses via an FTP.

