

January 31, 2024

Dear Member:

This is your Annual Statement of Compensation (ASC) Package for 2023. Your 2023 ASC form is the last page of this packet. Please complete and return the attached form as soon as you have filed your 2023 Federal Income Tax Form to avoid a break in your disability retirement payments.

If you are not required to file Federal Income Taxes, complete and return the form immediately to avoid a break in your benefit for failing to file.

The deadline for returning your completed ASC form and all associated documents is April 16, 2024. If you request an extension for filing your 2023 IRS tax forms, you must send us a copy of the IRS extension form by April 16th to receive an extension for filing your ASC.

This package contains everything you need to file your Annual Statement of Compensation (ASC). This statement is required for the continuation of your MainePERS Disability Retirement Benefits. If you believe you have exceeded your 2023 earnings limitation and want to begin repaying excess earnings before filing your ASC, please contact the Disability Unit at MainePERS.

As a disability recipient, you must file an Annual Statement of Compensation with MainePERS each year. Complete and return all of the necessary information as soon as you file your Federal Income Taxes.

If you have questions or need assistance completing your ASC form, contact the MainePERS Disability Unit at 512-3170 or 1-800-451-9800 or via email at disability@mainepers.org.



Frequently Asked Questions **FAQs**

Who has to file an ASC?

Anyone who received a MainePERS disability retirement payment during 2023 must report their income from that year. This is a requirement of state law and MainePERS rules.

Why is the ASC required?

The law limits earnings of MainePERS disability recipients. If the limit is exceeded, you must repay the amount of earnings over the limit.

The Annual Statement of Compensation allows MainePERS to determine whether you have earned more than the law allows.



What if I don't return my ASC?

If you do not return the ASC and all required documents by April 16th, your April payment will be your last disability benefit payment until your ASC is filed. Your monthly benefit will resume the month after you file.

If you do not file your current ASC and all required documents by March 31st of the following year, your disability benefit will end permanently. For example: If you do not file your 2023 ASC by March 31, 2025, you will lose all rights to further disability benefits.

When do I return my ASC?

If you are not required to file a Federal Income Tax Return, return your ASC as soon as possible. Easy to follow instructions begin on the back page.

If you are required to file a Federal Income Tax Return, return your ASC as soon as you complete your tax return.

If you anticipate not completing your tax return by April 16th, send us a copy of your Federal Extension Form by April 16th. This will allow you an automatic extension for your disability benefit with MainePERS. Once you complete your Federal Tax Return, forward it, and your completed ASC form, as soon as possible (but no later than October 15th). If you return your ASC form via fax or email, mail the original to MainePERS. Changes to your demographic information cannot be made without the original form.

Where do I return my ASC?

Mail: MainePERS, P.O. Box 349, Augusta, ME 04332-0349; Fax: (207) 512-3285; E-Mail: Disability@mainepers.org

Your ASC Package and all attachments can also be submitted with an electronic signature through DocuSign. For more information on filing using DocuSign, go to www.mainepers.org or call (207) 512-3100.

What if I earn more than allowed by law?

If your earnings are higher than the amount allowed by law, you will have to repay the amount equaling the difference between your earnings and your limitation. If you exceed your Substantial Gainful Activity amount (SGA), your disability benefit will be terminated permanently. Substantial Gainful Activity is an amount that is at least 80% of your average final compensation adjusted by an applicable cost-of-living adjustment (COLA). If you have questions about this amount, please contact the Disability Unit at MainePERS.

You can repay any amount due by making a lump sum payment to MainePERS, or by having deductions from any remaining monthly benefits in the year following the excess earnings.

You never have to repay more than the total of your gross annual disability benefit amount. Example: If your earnings limitation was \$20,000 and you earned \$25,000, you would owe \$5,000. You could repay all or a portion of that amount by check. Any remaining balance would be deducted from your remaining monthly benefit payments.

(EXAMPLE: \$5,000 ÷ 8 months (May–December) = \$225/mo).

(continued on reverse)

How do I know what my earnings limitation is?

There are limits on the amount of money you may earn before benefits are reduced or eliminated, those limits are different depending on whether you work in employment that is a part of MainePERS or in employment that is not a part of MainePERS, please contact the Disability Unit for more information.

How do I know if I've exceeded my earnings limitation?

We will notify you either via e-mail or through the United States Postal Service after we review your ASC, whether you exceeded your limitation or not.

How do I know if I have to file a federal tax return?

Contact the Internal Revenue Service (www.irs.gov) or your personal tax preparer.

Who can answer my questions or help me complete my ASC?

We're here to help you. Contact us via one of the following:

Mail: MainePERS
P.O. Box 349
Augusta, ME 04332-0349

Phone: (207) 512-3100

E-Mail: Disability@mainepers.org

Why do I have to provide my spouse's earnings information?

If you filed a joint Federal Income Tax Return, including your spouse's earnings information and supporting documents (such as Form W-2) will allow us to exclude those earnings from the total income you reported.

Instructions for Completing Your ASC:

Question 1: Check the appropriate response (Y/N).

Question 2: If your MainePERS benefits were your only source of income during the year, check "No." Proceed to Signature Line.

If you had income in addition to your MainePERS benefits, check "Yes" and list the amount of earnings in the space(s) provided.

The earnings listed in this section should include:

Earnings Reported on a W-2: The higher of the amounts listed in box 1 or box 5

Income Reported on a 1099: The amount listed in box 1

Social Security Income (form SSA-1099): The amount listed in box 5

Attach signed copies of your 1040, 1040A or 1040-EZ tax return, including all schedules and forms such as Form W-2, Form 1099 and self employment schedules.

If you file jointly, be sure to attach copies of all Form W-2 and supporting documents for both of you. This will allow us to consider your income separately.

If you anticipate not completing your tax return by April 16th, send us a copy of your Federal Extension Form by April 16th. This will allow you an automatic extension with MainePERS. Once you complete your Federal Tax Return, forward it, and your completed ASC form, to us as soon as possible.

Sign, date the form and provide your telephone number and e-mail address.

Note: Designating MainePERS as your "authorized agent for obtaining any return, report of other information pursuant to 36 MRS 191(2)(A)" means that you authorize MainePERS to verify any employment, Social Security or Workers' Compensation information provided in order to determine wages, potential overearnings or offsets. This designation is required.

ASC Checklist

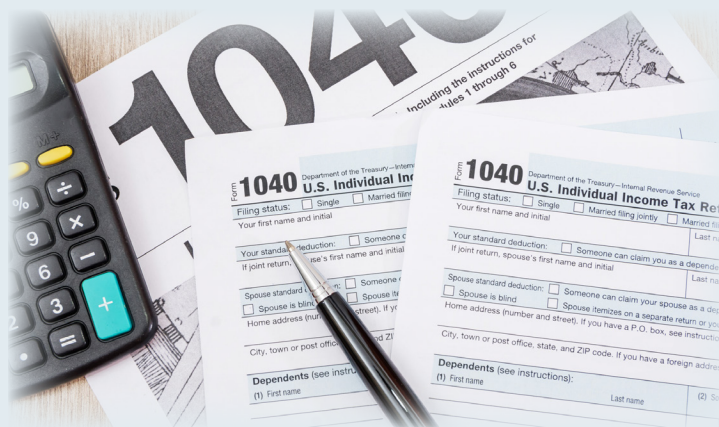
Are you required or did you file a Federal Income Tax Return for 2023?

- ☐ If no, please complete and sign ASC form and return to MainePERS.
- ☐ If yes, as soon as you have filed your 2023 Federal Income Tax Return, please complete and sign the ASC form and return it to MainePERS along with the following by April 16, 2024:

Attach a copy of your signed Federal Income Tax Return (1040, 1040A or 1040-EZ), along with copies of all schedules and forms, such as W-2s, 1099s, K-1s and self-employment schedules, filed with your Federal Income Tax Return. If you file jointly, you must submit copies for both of you.

If you request an extension(s) of time to file from the Internal Revenue Service ("IRS"), you must provide MainePERS with a copy of your extension by the April 16, 2024 deadline and you must provide a copy of your Federal Income Tax Return to MainePERS as soon as it is filed with the IRS or by the October 15, 2024 deadline.

Return the form and other required materials to MainePERS as soon as possible to avoid a break in your benefit payments.



1. Are you required or did you file a Federal Income Tax Return for 2023? ☐ No ☐ Yes

(If “No”, please sign and date the bottom of this form and return to MainePERS)

[If “Yes”, also enclose a copy of your signed Federal Income Tax Return (1040, 1040A or 1040-EZ), along with copies of all schedules and forms, such as W-2s, 1099s and self-employment schedules filed with your Federal Income Tax Return. If you file jointly, you must submit copies for both of you.]

2. Did you have income in addition to your MainePERS benefits during 2023? ☐ No ☐ Yes

\$ _____ Social Security Disability

\$ _____ Workers' Compensation

\$ _____ Self Employment

\$ _____ Any Other Sources of Income _____
(ex., Rentals, partnerships, farming, contract work, etc.)

\$ _____ Wages from Employment with: Employer's Name(s): _____

The 2023 ASC and supporting documentation is due on or before April 16, 2024, unless you provide MainePERS with a copy of your Federal Extension. The MainePERS extension has the same duration as the Federal Extension. Please ensure all supporting documentation, as outlined in the ASC packet, is attached.

I hereby designate MainePERS as my authorized agent for obtaining any return, report, or other information pursuant to 36 MRS §191(2)(A). This authority includes, but is not limited to, the right to obtain information regarding income tax and earnings, employment, income of any nature, and Workers' Compensation and social security income. This information is required in order for MainePERS to determine and verify annual earnings.

I understand that MainePERS will verify my income and I agree to provide additional information upon request. I further understand that if requested information is not promptly provided, my benefits may be interrupted or permanently terminated. §17931, §18531 Please see the ASC packet for further information.

Please be advised that if you exceed your Earnings Limitation you will be required to reimburse MainePERS and if you meet or exceed your SGA amount, your benefits will be terminated. For information concerning these important limitations, please contact MainePERS.

I have read and understand the information provided in the Annual Statement of Compensation Package.
I understand that failure to report all income timely, truthfully and to provide verification as requested by MainePERS may result in temporary or permanent loss of my MainePERS disability retirement benefit.

Printed Name: _____ **Social Security Number:** _____
Disability Benefit Recipient

Signature: _____ **Date:** _____
Disability Recipient or Power of Attorney*

Telephone Number: _____ **Email:** _____

*Unless already on file with MainePERS, the signature of anyone other than the benefit recipient must be accompanied by a documentation of the authority making the signature valid (e.g., power of attorney).