



Working After Retirement

If you hire a retired KPERS member, there are a few things you need to know, as a KPERS employer, about working after retirement.

What Employers Should Know

The same laws that allow KPERS retirees to work at a KPERS employer also include unique rules, restrictions, rates, limits and exemptions you should know.

- **No earnings limits** for employees who are working after retirement in KPERS-covered or non-covered positions.
- **No prearrangements** to return to work before retirement or during the waiting period after retirement (penalties apply).
- 180-day **waiting period** for retirees under age 62. The waiting period is 60 days for retirees age 62 and older.
- Employees do not make **contributions**.
- **Employers contribute** the regular/statutory rate on earnings up to \$40,000 and 30% on earnings above \$40,000.
- Do not enroll **exempt positions** (prearrangement and waiting-period rules still apply).

Exempt positions include:

 - Election poll workers
 - Substitute teachers without contracts
 - Legislative staff
 - Positions covered by KBOR Mandatory Retirement Plan
 - Nurses and direct support workers at CDDOs
- **KP&F retirees** returning to work in a KPERS position become active KPERS members. Enroll them as a new member in **KPERS (plan 1)**. They are under the rules for no pre-arrangement and have a 30-day waiting period.

	Enroll & Contribute	Enroll & Don't Contribute
Position Types	Covered Positions ¹	Non-Covered Positions ²
Earnings Limit	None	None
Employer Rate	First \$40,000: Statutory Rate Over \$40,000: 30% ³	No Contributions
Waiting Period⁴	Retire before age 62: 180 Days Retire age 62 or after: 60 days	

1. Not seasonal or temporary and requires at least 1,000 hours (630 for schools) of work per year
2. Seasonal or temporary and requires less than 1,000 hours (630 for schools) of work per year
3. Rate change to 30% starts with the first pay period after employee reaches \$40,000
4. Arrangements to return to KPERS employer not allowed anytime before KPERS retirement or during waiting period.

Enroll or Don't Enroll

3rd-party and independent contractors

Is retiree returning to position similar to one held before retirement?

NO
YES → **ENROLL**

Are position's activities normally performed exclusively by employees?

NO
YES → **ENROLL**

If 3rd Party Contractor, **If Independent Contractor,**

Will 3rd-party contractor's services be used for a limited time?

Does position meet IRS criteria for an independent contractor?

DON'T ENROLL ← YES NO → **ENROLL** NO → **ENROLL** YES → **DON'T ENROLL**