**Section 2920.65 Retirement Pay**

a) For the purposes of this Part, retirement pay is defined as any pension, annuity, or other similar payment made to an individual:

1) That is either paid or could have been paid on a periodic basis on account of the individual's separation from an employing unit; and

2) Under a plan maintained or contributed to by an organization or individual for whom the individual performed services during his or her base period or for which the organization or individual, including those that have elected to make payments in lieu of paying contributions, is chargeable for any benefit payments made to the individual, pursuant to Section 1502.1 of the Act.

b) Nothing in this Section shall prohibit payments from a plan maintained and operated by a union from constituting retirement pay provided that those payments otherwise satisfy the requirements of subsection (a).

c) A lump sum payment to an individual on account of his or her separation from an employing unit shall constitute retirement pay, as defined by this Section, if this lump sum payment could have been paid on a periodic basis at the option of the individual; provided, however, that the individual's receipt of the a lump sum payment also satisfies the requirements of subsection (a)(2).

EXAMPLE: A lump sum payment made to an individual on account of his separation shall not constitute retirement pay under this Section when the individual did not have the option to receive those payments on a periodic basis. It should be noted, however, that under Section 2920.70(c), the lump sum payments shall be considered disqualifying income with respect to the week in which they are paid.

(Source: Amended at 43 Ill. Reg. 6563, effective May 14, 2019)