**Section 1600.202 Return to Employment**

Purpose. This Section defines terms used in Section 15-139 of the Code [40 ILCS 5/15-139] concerning annuitants who return to employment.

a) "Annuitant", for purposes of Section 15-139 of the Code, means a person who is receiving a retirement annuity or who has received a lump-sum retirement benefit from SURS, or, if the retirement annuity payment or payments have not yet been paid due to SURS processing, a person whose retirement annuity payment period has commenced. However:

1) a person who has received a lump-sum retirement benefit is not an annuitant for purposes of Section 15-139(b) of the Code; and

2) a person who is receiving or who has received retirement benefits under the Self-Managed Plan is not an annuitant.

b) "Compensation", for purposes of Section 15-139(b) of the Code, means any remuneration paid by an employer that is reportable by the employer as "wages, tips, or other compensation" on Internal Revenue Service Form W-2, unless the remuneration is received for serving as a member of the Illinois Educational Labor Relations Board.

c) "Employment", for purposes of Section 15-139(a) of the Code, means a relationship with any employer that would qualify the annuitant as an employee under common law, except for service as a member of the Illinois Educational Labor Relations Board.

d) "Highest Annual Earnings"

1) for purposes of Section 15-139(b) of the Code, means the greater of the following:

A) The highest aggregate earnings (as defined under Section 15-111 of the Code) paid in any 12 calendar month period, including and immediately preceding the month of termination, or any prior 12 calendar month period ending with the same calendar month. The 12 calendar month period shall begin on the first day of a month and end on the last day of a month, even if earnings were paid for only a portion of the month. For example, if an annuitant's final termination from employment occurred on May 15, 2014, the relevant period would begin on June 1 and end on May 31.

B) The highest aggregate earnings (as defined under Section 15-111 of the Code) paid in any academic year (as defined under Section 15-126.1 of the Code) prior to retirement.

2) In the case of an annuitant receiving reciprocal benefits under Article 20 of the Code, "highest annual earnings" shall include earnings credits accrued with any participating system, as defined by Section 20-108 of the Code. The highest annual earnings shall not include any remuneration that is assumed as earnings for any purpose under Article 15 of the Code.

e) "Reemployed", for purposes of Section 15-139(c) of the Code, means the annuitant has established a relationship with any employer that would otherwise qualify the annuitant as an employee under Section 15-107 of the Code, not withstanding Section 15-107(a)(2) of the Code; except, the employment must be on a permanent and continuous basis or in a position in which the annuitant is expected to serve for at least 9 months.

f) It shall be the duty of the employer and employee to notify SURS in a timely manner of any employment that could result in the cancellation or reduction of the retirement annuity under Section 15-139 of the Code.

(Source: Amended at 40 Ill. Reg. 8437, effective June 3, 2016)