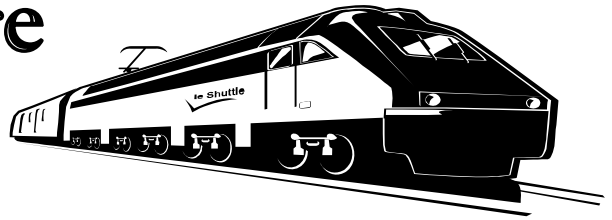


Employer Exchange

Quality Reporting Service Center: (312) 751-4992
Fax: (312) 751-7123
E-mail: QRSC@RRB.GOV
Experience Rating Specialist: (312) 751-4550
RRB Web Site: <http://www.rrb.gov>



Issue XL

October 2014

Paper Forms BA-4, BA-6a, & BA-11 to be Eliminated

The Railroad Retirement Board (RRB) will eliminate the use of the following paper forms beginning *January 1, 2015*:

- BA-4, Report of Creditable Compensation Adjustments;
- BA-6a, Form BA-6 Address Report; and
- BA-11, Report of Gross Earnings.

Paper filers should now use the Employer Reporting System (ERSNet) to file the reports listed. ERSNet is the preferred method because it provides automatic system edits to identify errors, pre-filled data fields, the ability to create summary reports, automated email form/file receipt responses, and file upload capability. If you use the ERSNet system, you do not need to file Form G-440 for the system authenticates the report.

For more information about this change, please see Program Letter 2014-05, "*Elimination of the Use of Paper Forms*". The online version can be found on our website at <http://www.rrb.gov/AandT/pl/pl1405.asp>.

Legal Opinion Issued on the Crediting of Service Months Due to Vacation Pay

On June 13, 2014, the RRB's Office of General Counsel (OGC) issued legal opinion L-2014-31 in response to a request on whether an employer has the right to withhold reporting a creditable service month if an employee requests a vacation day while the employee is absent from work due to illness. The opinion concludes that the employee should receive credit in the month the vacation was requested.

Program Letter 2014-04 summarizes the decision and can be found on our website at <http://www.rrb.gov/AandT/pl/pl1404.asp>.

RUIA Surcharge in Calendar Year 2015

The RUIA provides for a surcharge in the event the Railroad Unemployment Insurance account balance falls below certain levels as of June 30 of each year. On June 30, 2014, the account had an accrual balance of \$140.8 million. The 1.5 percent threshold is the higher of \$100 million or \$100 million indexed to changes in the system compensation base. The current thresholds are \$141.2 million for the 1.5 percent surcharge and \$70.6 million for the 2.5 percent surcharge. Since the RUI Account balance is less than the indexed amount for \$100 million but greater than the indexed amount for \$50 million, the surcharge is 1.5 percent for calendar year 2015.

Therefore, a surcharge of 1.5 percent will be added to the basic RUIA tax rate for each established employer beginning January 1, 2015. New employers are not affected, as their rate will be the average rate for all employers from 2011 through 2013. RUIA tax rates will range from a minimum of 2.15% (the minimum basic rate of 0.65% plus the 1.5% surcharge) to a maximum of 12%. Official notice of the surcharge will be included in the annual rate notices (Form ID-40R/S) released in early October.

Supplemental Annuities No Longer Reduced Due to 401(k) Distribution

On January 13, 2014, the OGC issued legal opinion L-2014-2. In the opinion, the definition of a private pension was reinterpreted to exclude 401(k) plans. Supplemental annuities are, therefore, no longer reduced if an employee receives a distribution from his/her 401(k) plan.

Program Letter 2014-03 summarizes the OGC's decision and can be found on our website at <http://www.rrb.gov/AandT/pl/pl1403.asp>.

Form ID-40R/S to be Released

In early October, we will release Form ID-40R/S, "Annual Notice to Employers – Railroad Unemployment Insurance Act" for the 2015 calendar year. The Form ID-40R/S notifies employers of their Railroad Unemployment Insurance Act (RUIA) contribution rate to be used during the period of January 1 through December 31, 2015. If you have not received the form by the end of October and cannot access a copy on the ERSNet system, please contact the Quality Reporting Service Center at the telephone number or email address shown on the front page.

Changes to Contact Information or ERSNet User Accounts

Current addresses and contacts are essential in providing you with information from the RRB. If your office has moved or a person listed as your designated contact official has changed or left your organization, please complete a new Form G-117a, "Designation of Contact Officials" to update your information. The form can be downloaded from our website at <http://www.rrb.gov/pdf/AandT/g117a.pdf>.

NOTE: Only those persons designated on Form G-117a have the authority to approve, modify, or terminate access to ERSNet. Organizations that need to make a change in the status of their user accounts should complete Form BA-12, "Application for Employer Reporting Internet Access". The form can be downloaded from our website at <http://www.rrb.gov/pdf/AandT/ba12.pdf>.

Completed forms should be mailed to the address listed below or faxed to the number listed on the front page.

Quality Reporting Service Center
U.S. Railroad Retirement Board
844 North Rush Street
Chicago, IL 60611-2092

ERSNet Improvements

The Quality Reporting Service Center (QRSC) continues to strive to improve the Employer Reporting System. In addition to a *new navigation menu*, the following forms will be added to ERSNet:

- G-88P, Employer's Supplemental Pension Report;
- ID-3s, Request for Lien Information – Report of Settlement;
- ID-3u, Request for Section 2(f) Information;
- ID-30b, Notice of Lien; and
- SI-5F (SUP), Status Report - Personal Injury Claims.

We urge all employers who currently receive these forms via paper to use Form BA-12 to sign-up for these new services when they become available this month.

Online Services for RUIA Benefits

In order to obtain benefits as quickly as possible, claimants should file their applications for unemployment (UI) benefits, as well as their subsequent biweekly UI and sickness claims, online. We ask that you encourage your employees to establish an online account while still employed so an account is ready if they ever need to apply for benefits or use other Internet services.

To use these services, you must have an established PIN/Password (PPW) account with the RRB for Internet services. If you do not have a PPW account, click on "Request Password Request Code (PRC)" in the "Benefit Online Services Login" section of the home page. Establishing an online account will minimize the possibility for delay in the event an employee files for unemployment or sickness benefits.

SAVE THE DATE (Summer 2015)
Ninth National Rail Employer Training Seminar - Chicago, IL

Third Class