



State of New Jersey • Department of the Treasury
DIVISION OF PENSIONS & BENEFITS — PURCHASE SECTION
 P.O. Box 295, Trenton, NJ 08625-0295
APPLICATION TO PURCHASE SERVICE CREDIT – UNION REPRESENTATION

Please refer to the instructions to complete the application. Please print.

You must submit a fully completed application to the New Jersey Division of Pensions & Benefits (NJDPB) within 30 days after the quarter ends. Incomplete applications will not be accepted and will not constitute a timely submission.

1. I am a member of: *(Check one)*
 - Teachers' Pension and Annuity Fund (TPAF)
 - Public Employees' Retirement System (PERS) State Employees
 - Public Employees' Retirement System (PERS) Local Employees
2. Name: _____
First Middle Initial Last Maiden/Former name(s) (If applicable)
3. Mailing Address: _____
Street Address or P.O. Box City State Zip Code
4. Social Security Number: _____ 5. Membership Number: *(if available)* _____
6. Date of Birth: _____ / _____ / _____ 7. Email Address: _____
Month Day Year
8. Daytime Phone Number: (_____) _____ Business Phone Number: (_____) _____
Area Code Area Code
9. Name of employer from where your leave was taken: _____
10. If you are planning to retire within the next six months, what is your tentative retirement date? _____ / _____ / _____
Month Day Year
11. Name and address of the union where you are currently working: *(Include Local Number)* _____
12. Current quarter of union leave you wish to purchase: Quarter _____ Year _____
- 13a. Did you contribute to any pension or retirement fund other than the PERS or TPAF during any union leave?
 Yes No
- 13b. If you answered "Yes" to 13a, you must complete the following for all other funds to which you contributed (e.g., 401K, 403B, 457, IRA). Attach additional sheets as needed:
 1. _____
Name of Pension Fund Type of Plan (e.g., 401k, 401A, 403B, 457, IRA)
 - _____ Street Address or P.O. Box City State ZIP Code
 2. _____
Name of Pension Fund Type of Plan (e.g., 401k, 401A, 403B, 457, IRA)
 - _____ Street Address or P.O. Box City State ZIP Code
14. Signature: By signing below, I certify that I was on an approved leave of absence from my public position and I worked at the union listed above for the entire time frame that I wish to purchase.

Signature of Member _____ Month Day Year

Please return the completed *Application to Purchase Service Credit - Union Representation* to the above address.

UNION LEAVE INSTRUCTIONS

ELIGIBILITY

P.L. 1989, c. 198 (Chapter 198) and P.L. 2005, c. 368 (Chapter 368) permit members of the TPAF and PERS on an approved leave of absence as an elected or appointed officer or representative of a local, county, or State labor organization which represents public employees — and who have not received TPAF or PERS service credit for that period of time — to purchase pension service credit for that time period.

INSTRUCTIONS

To purchase service credit for a leave of absence as a union officer or representative, complete and submit all required documents to the Purchase Section of the NJDPB within 30 days after the quarter ends. For example, the first quarter covers January 1st through March 31st. Therefore, the documents must be received no later than April 30th. The required documents can be found on the NJDPB website at: www.nj.gov/treasury/pensions

- *Application to Purchase Service Credit – Union Representation.*
- *Employer Verification of Leave of Absence for Union Representation.*¹
- Payment in full (check, money order, or cashier's check) made out to the correct pension fund (TPAF or PERS).

Service purchased under the provisions of Chapter 198 and Chapter 368 must be purchased through a lump-sum payment (no payroll deductions are allowed). Members must pay the full cost (employee contributions and employer appropriations) to purchase the service credit. Employer appropriations are actuarially determined for each Fiscal Year (July – June).

Example: A TPAF/PERS member purchasing the union leave for any quarter must include the purchase application and a lump-sum payment. To calculate the lump-sum payment for a member who would be making \$40,000 per year at the public position from which he/she is on leave, the member must use the purchase rate (found on the NJDPB website) and make the following calculation:

State 12-Month Members

Employee Rate	7.50%	Annual Salary (<i>public employment</i>)	\$40,000.00
Employer Rate ²	+ 2.66%	Quarters per Year	÷ 4
Purchase Rate	10.16%	Quarterly Salary for Purchase	\$10,000.00
Quarterly Salary for Purchase	\$10,000.00		
Purchase Rate ²	x 10.16%		
Quarterly Purchase Cost	\$ 1,016.00		

Local 12-Month Members

Employee Rate	7.50%	Annual Salary (<i>public employment</i>)	\$40,000.00
Employer Rate ²	+ 1.77%	Quarters per Year	÷ 4
Purchase Rate	9.27%	Quarterly Salary for Purchase	\$10,000.00
Quarterly Salary for Purchase	\$10,000.00		
Purchase Rate ²	x 9.27%		
Quarterly Purchase Cost	\$ 927.00		

¹ The Employer Verification form is required when a member makes the first union leave purchase request of each calendar year (January – December).

² This rate varies from year to year and is subject to change by the actuary in the 3rd quarter of each calendar year.

TPAF 10-Month Members

Employee Rate	7.50%	Annual Salary <i>(public employment)</i>	\$ 40,000.00
Employer Rate ²	+ 3.57%	Months per Year ³	÷ 10
Purchase Rate	11.07%	Monthly Salary for Purchase	\$ 4,000.00
1 st , 2 nd , and 4 th Quarter Salary for Purchase	\$ 4,000.00 x 3 = \$12,000.00	3rd Quarter Salary for Purchase	\$ 4,000.00
Purchase Rate ²	x 11.07%	Purchase Rate ²	x 11.07%
Quarterly Purchase Cost	\$ 1,328.40	Quarterly Purchase Cost	\$ 442.80

To complete the purchase, the member must submit the required forms and a check for the quarterly purchase cost amount, made payable to the TPAF or PERS, no later than 30 days after the quarter ends (January 31st, April 30th, July 31st, October 31st).

PERS members who are police officers or firefighters are excluded from the provisions of this law. All other rules and provisions for the purchase of TPAF or PERS service credit apply. If you have additional questions regarding Chapter 198 or Chapter 368, contact the NJDPB Office of Client Services at (609) 292-7524, or send an email to: [**pensions.nj@treas.nj.gov**](mailto:pensions.nj@treas.nj.gov)

NOTES

Purchases of other non-union leave service credit are allowed while on union leave. Since members are off payroll, only lump-sum payments are allowed. Purchase applications must be in writing and must be sent directly to the Purchase Section Supervisor.

Currently, scheduled arrears deductions cannot be paid except in a lump-sum payoff. If the member does not return to payroll within two years of the union leave start, the arrears deductions will be canceled and a proration of purchase service will be made. Please contact the Adjustment Section Supervisor in writing for further details or a payoff figure.

Pension loan balances cannot be paid with a union leave purchase payment. Any pension loan payments must be remitted directly to the Loan Section Supervisor. See the *Loans* Fact Sheet for information about Internal Revenue Service requirements regarding pension loans. Address any additional questions on the pension loan process directly to the Loan Section Supervisor.

² This rate varies from year to year and is subject to change by the actuary in the 3rd quarter of each calendar year.

³ Members who report on a 10-month schedule are credited with July and August upon the purchase of September.