

TEACHING AFTER RETIREMENT

INTRODUCTION

If you return to teach in a Manitoba public school after you retire, you should be aware that there is a limit to the number of days you can teach before it affects your TRAF pension. If you are age 65 and have at least 15 years of qualifying service at your retirement, you are not subject to these rules.

WHAT ARE THE RULES?

Teaching after retirement rules apply to all positions where TRAF contributions are normally required.

Your pension will be affected differently depending on when you return to teach and how much you plan to teach.

RETURNING TO TEACH WITHIN 90 DAYS OF RETIREMENT

If you return to teach under contract (excluding substitute service) within 90 days of retirement, you will no longer be considered retired according to *The Teachers' Pensions Act*.

TRAF is required to cancel your pension and you must again contribute to the plan as an active member. You will also have to repay TRAF the pension you received to this point. Once you retire, your pension will be calculated on your total service as if you had never applied for pension.

RETURNING TO TEACH AFTER 90 DAYS OF RETIREMENT

If you return to teach under contract after 90 days from your date of retirement and work more than 120 full days¹ in a school year, legislation requires your pension to be suspended on the 121st day. All substitute days are counted including those worked in the first 90 days. You will not have to repay TRAF the pension you received to this point. You must again contribute to TRAF and you will accrue a second benefit.

When you again retire, your initial pension will be reactivated and you will have to apply for a second benefit based on your additional salary and service. Depending on how long you continue employment, the second benefit may be paid as a lump sum or as a pension.

RULES FOR MEMBERS WHO TURN AGE 65 AND HAVE AT LEAST 15 YEARS OF QUALIFYING SERVICE

If you are age 65 and have at least 15 years of qualifying service **before** reaching the 121st day:

- You are not subject to these rules.

If you turn age 65 and have at least 15 years of qualifying service **after** reaching the 120th day:

- Your initial pension will be reactivated and your second benefit will be paid starting the month following your 65th birthday unless you elect to continue to contribute beyond the month in which you turn age 65.

¹ Teaching more than 50% of a day is considered to be a full day of work. Anything up to 50% is considered a half-day. It is possible to teach more than 50% in one morning or afternoon. Check with your school division to be sure.

INCOME TAX DEDUCTIONS

Remember, tax is deducted based on your TRAF pension income only. If you work after retirement, you may want to increase the amount of tax deducted throughout the year.

OTHER DEDUCTIONS

To maintain your coverage, alternate arrangements will be necessary for Johnson premiums, as well as RTAM membership fees that may be deducted from your TRAF pension.

HOW TO PROCEED

You are required to notify your school division that you are receiving a TRAF pension. You are also required to track the number of days you teach during the school year and to notify your school division and TRAF when that number reaches 120 days. This is especially critical if you are teaching in more than one school division.

Your school division is also required to notify TRAF in writing when the number of days taught is expected to reach 120 days.

To help you determine when you reach 120 days:

- Count all paid days, including substitute days
- Count more than a half-day as one full day
- Count 50% or less as a half-day
- Working a morning or afternoon can be more than a half-day
- You must count the number of hours you work if, for example, you are teaching one class in the morning and one class in the afternoon

If you are working under a part-time contract, TRAF may ask for your work schedule to help you verify the number of days worked.