Increased Take-Home-Pay (ITHP) Waiver/Cancellation
Tier 1 and Tier 2 Members Only

This application is for Tier 1 and Tier 2 members who wish to either waive their Increased-Take-Home-Pay (ITHP) or cancel their prior election of such a waiver. ITHP is a portion of your employee contributions paid by the City of New York (or Participating Employers). Please be sure to read the information below which will help you make an informed decision about ITHP. **NOTE: If the address you provide on this form is different from your address in our system, the new address will become your official address in our records.** Should you have any questions regarding this application, please contact our Call Center at 347-643-3000.

**WHAT IS ITHP?**

You are required to contribute a percentage of your earnings in order to collect a future retirement benefit. Likewise, your employer (either the City of New York or another participating employer) makes employer contributions and they also contribute toward a portion of your employee contributions into your NYCERS’ pension account. The employee portion is called ITHP - Increased-Take-Home-Pay. Typically, this portion is equal to 2% of your earnings (2 ½% for Uniformed members). It is called ITHP because you choose whether to increase your take-home-pay or increase the amount going into your pension account.

**ANY ELECTION THAT IS MADE MUST REMAIN IN EFFECT FOR ONE YEAR FROM THE TIME OF FILING.**

Read the following explanations and then choose one of the following elections: WAIVE the reduction for ITHP or CANCEL the ITHP waiver.
HOW DO I INCREASE PENSION CONTRIBUTIONS? - WAIVE the reduction for ITHP

Basic employee contribution rates for Tier 1 and Tier 2 members are determined at the time they joined NYCERS, and are based on their age and the plan they are in. By WAIVING the reduction for ITHP contributions, you are choosing to pay the full “basic” employee contribution rate. For example: Let’s assume your full “basic” employee contribution rate is 7%. If you elect to waive the ITHP reduction, you will continue to make contributions equal to 7% each pay period and the City will make ITHP contributions on your behalf equal to 2% of your earnings. While this election would lower your take-home pay while you are working, it would result in a greater Annuity Savings Account at retirement. A greater Annuity therefore provides a greater retirement benefit.

These voluntary contributions will provide you with an additional Annuity at retirement and may not be withdrawn, except upon separation from service prior to retirement.

☐ I elect to WAIVE the reduction for ITHP (Check box & sign below)

HOW DO I INCREASE MY TAKE-HOME-PAY? - CANCEL the ITHP waiver

By choosing to CANCEL the ITHP waiver, you will increase your take-home-pay, thereby reducing the amount of contributions going into your pension account. If you CANCEL the ITHP waiver, then ITHP is once again in effect. Canceling the ITHP waiver does not change your “basic” contribution rate, but it will change the percentage that is taken from each of your paychecks. For example: Let’s assume again that your full “basic” employee contribution rate is 7%. With ITHP in effect, you actually contribute 5% and the City would pay 2% therefore satisfying the requirements of your pension account.

☐ I elect to CANCEL the ITHP waiver (Check box & sign below)

I have read all the information above regarding changes I can elect to make pertaining to ITHP and I understand how either election will impact my pension account and/or my paycheck. I further understand that the change I have elected above must remain in effect for at least one year.

Signature of Member

Date

This form must be acknowledged before a Notary Public or Commissioner of Deeds

State of _______ County of ____________________________ On this ____ day of ___________, 20____, personally appeared before me the above named, ____________________________, to me known, and known to me to be the individual described in and who executed the foregoing instrument, and he or she acknowledged to me that he or she executed the same, and that the statements contained therein are true.

Signature of Notary Public or Commissioner of Deeds

Official Title

Expiration Date of Commission

Sign this form and have it notarized, THIS PAGE