



THE STATE OF FLORIDA
JUSTICE ADMINISTRATIVE COMMISSION

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MEMORANDUM #036-13HR

TO: Agency Administrators
FROM: Carolyn Horwich, J.D., Director of Human Resources
THROUGH: Rip Colvin, Executive Director
SUBJECT: Pretax Treatment of OPS/Variable Hour Deductions
DATE: November 13, 2013

The Department of Management Services has issued a Management Advisory regarding Pretax Treatment of OPS/Variable Hour Deductions.

The Management Advisory is attached for your review.

Thank you.

If you have any questions, please do not hesitate to contact me at 850-488-2415 or Carolyn.Horwich@justiceadmin.org.

Attachment



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Rick Scott, Governor

Craig J. Nichols, Agency Secretary

MANAGEMENT ADVISORY #13-008

DATE: November 7, 2013

TO: Benefit Only University and Agency Personnel Offices

FROM: Suzetta Furlong, Chief

SUBJECT: Pretax Treatment of OPS/Variable Hour Deductions

As members of a cafeteria plan pursuant to Section 125, Internal Revenue Code; Section 110.123, Florida Statutes; and Chapter 60P, Florida Administrative Code, OPS/Variable Hour employees are entitled to the same pretax deductions as other State Group Insurance members.

Participating employers that process their own payroll must take OPS/Variable Hour employee benefit deductions on a pretax basis unless the employee elects to have deductions taken on a post-tax basis (employees must submit a pretax waiver form to People First).

In addition, pursuant to Section 110.161(7), Florida Statutes, these employers are responsible for paying into the Pretax Benefits Trust Fund as follows:

- The pretax assessment corresponding to the Medicare component if the employer follows the FICA Alternative plan and does not deduct Social Security; or
- If the employer does deduct Social Security, then the pretax assessment corresponds to both the Medicare and the Social Security components.

These provisions are effective with the first OPS/Variable Hour payroll deductions taken in December for January 2014 coverage.