



**GEORGE W. LINDBERG**

COMPTROLLER  
STATE OF ILLINOIS

May 14, 1975

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PAYROLL BULLETIN  
(8-75)

TO: All State Agencies, Departments, Boards and Commissions  
Attention: Payroll Office

SUBJECT: Deferred Compensation

Public Act 78-1277 amends the Illinois Pension Code to allow for a deferred compensation program for State of Illinois employees.

The Illinois State Board of Investment has the responsibility to develop and establish a single deferred compensation plan for all state employees. The Department of Personnel will administer the plan under the general supervision of the State Board of Investment.

The process of analysis, development, drafting and subsequent approval of the plan by the Internal Revenue Service indicates that deferred compensation may not be available to state employees until January 1, 1977.

Until the program is implemented, no agency has the authority to voucher payments reflecting a deferral of income (with the exception of tax sheltered annuities, as currently provided by law).

Agencies should advise employees attempting to defer income in accordance with Public Act 78-1277, that no deferral capability will exist until the state approved plan has been implemented.

If you have any questions concerning the above, please contact Mr. Dennis Kelly at (217) 782-3608.

Very truly yours,

George W. Lindberg  
Comptroller

By: Kermit W. Kerley  
Payroll Supervisor