



STATE OF ILLINOIS  
COMPTROLLER  
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# PAYROLL BULLETIN

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TO: All State Agencies, Boards, and Commissions  
FROM: Marvin Becker, Assistant Comptroller - Operations  
DATE: November 10, 2015  
SUBJECT: Roth 457 Savings Plan  
NUMBER: 1-15

Public Act 98-491 amended Section 24-105.1 of the Illinois Pension Code and allows for employee post-tax contributions to a Roth 457 savings plan. The IOC has implemented the necessary updates in the State Accounting Payroll System by adding a new deduction and trailer code for processing payrolls starting with the January 1, 2016 issue date.

Section 24-105.1 was amended as follows:

“To the extent that federal law or regulations have been changed to allow plans established under Section 457 of the Internal Revenue Code to be amended to allow designated Roth contributions and in-plan rollovers to designated Roth accounts, the Department of Central Management Services and units of local government with plans established under Section 24-107 shall within a reasonable time amend their plans accordingly.”

The payroll system changes are identified below:

- The deduction for contributions to a Roth 457 savings plan will be processed as a miscellaneous deduction.
- The deduction code to be used is “RTH” with deduction type “N.”
- The trailer code is 35-045.

As stated in Central Management Service’s Deferred Compensation Liaison Bulletin, contributions to a Roth 457 (post-tax) savings plan and the existing Deferred Compensation (pre-tax) plan can be made simultaneously; however, the total annual contribution will be limited to a single combined amount for both plans.

If you have any questions, please contact Mike Dunham, Payroll Manager, at (217) 782-4758. Agencies may access this and other Accounting, SAMS, and Payroll Bulletins on the Comptroller's website at [www.illinoiscomptroller.gov](http://www.illinoiscomptroller.gov) under the Agency tab.