

IMPORTANT NOTICE FOR RETIRING TEACHERS

JANUARY 18, 2016

Teachers who are planning to retire at the end of June 2016 and who will be entitled to receive a pension benefit effective July 1 are advised that there will be a major change regarding when they will receive their summer holdback pay and their first pension benefit.

Effective June 2016, teachers who have submitted their resignation to their District on or before March 31 and who have completed and submitted their "Application for Teacher's Pension" to the Pensions Division on or before that date will receive their entire summer holdback pay as a lump-sum payment during the first pay period following the end of the school year. As a result, retiring teachers will then receive their first pension benefit on July 15 or July 31.

With this change, it will be important for those teachers considering retirement for the end of the school year to submit their resignation to the Director of their District on or before March 31 and to complete and submit their pension application to the Pensions Division in a timely manner. Any resignations or applications submitted after March 31 cannot be guaranteed payment of pension on July 15 or July 31.

Income Tax for the summer holdback pay lump-sum payment will be calculated on a pro-rated basis as though the teacher had received four separate pay checks. This will avoid any additional taxation.

NOTE: This change is only applicable to teachers who are retiring at the end of the school year and summer holdback payments for all other teachers will not be affected.

If you have any questions regarding this change please contact an administrative officer in Programs and Services at the NLTA by calling 1-800-563-3599 or 726-3223 or email: mail@nlta.nl.ca