

## PLANet transaction types

Please code Leave of Absence (LOA) repayment and normal payroll contributions separately on contribution submissions. Use the following transaction types for each:

### Transaction Type N – Normal Payroll

Use this transaction type for all **current payroll contributions**, including disability contributions.

Contributions received using this transaction type are used to calculate maximum contributions.

### Transaction Type P – Pension Arrears

Use this transaction type for all **LOA repayment contributions**.

Contributions received using this transaction type **are not included** when calculating maximum contributions.

If you notice a contribution has been coded incorrectly in PLANet, you can **update the transaction type** at any time **before** you **process** the file.

Transaction ID	End Date	Transaction Type	Employee Contribu...	Empl...
4512		N	287.54	287.5
4513		P	140	140
4514		N	287.54	287.5
4515		N	287.54	287.5

**It is important to submit contributions using the correct transaction type.**

- Contributions received using Type N calculate the member's estimated salary for PEPP annual retirement projections.
- Coding LOA repayment contributions using Type N results in inflated retirement projections on member March statements. This can result in members making decisions based on incorrect data.



## Employee emails make a difference!

*There is a lingering world-wide paper shortage since COVID-19. This is due to the continuing pulp and paper industry disruption and recent supply-chain issues.*

**Whenever possible, include the employee email address when enrolling new employees.** Having emails on file allows us to connect with members and do our part to reduce our environmental footprint and costs.

The benefits of email:

- the ability to send digitized pension information in a timely and efficient manner;
- members can keep up to date on Plan news regardless of where they are;
- the ability to notify members when workshops will be held in their area; and
- it provides an extra option to contact a member securely if necessary.

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## Age 71 reminder

If you have employees who have turned or will turn age 71 before year end, please complete the following two steps before December 31, 2022:

1. update the employee status to **Terminated** (using a December 31, 2022 termination date) in PLANet for all employees who turn age 71 this year; and
2. stop all contributions by December 31, 2022. Contributions received after this date will be returned to the employer.



## Check your 2022 contribution limits

As we approach the end of 2022, please remind your payroll branches about the maximum pension contribution limits.

The *Income Tax Act*, (Canada) sets the maximum contribution that can be made to a defined contribution pension plan.

**Maximum contributions** to PEPP for 2022 is **the lesser of** (whichever comes first):

- **\$30,780** as set by the Canada Revenue Agency (CRA);  
**OR**
- **18 per cent** of your employee's current-year pensionable earnings.

The maximum applies to the total of all employee, employer and voluntary payroll contributions received in the year. **It does not include contributions to repay for an LOA.**

Your employee's personal circumstances (other employment income, RRSP contribution room, etc.) do not play a role in determining their maximum contribution limit to PEPP. You must monitor these limits based solely on salary earned with you, as a participating employer.

Further information is available from the CRA website.

### Excess Contribution Refunds

(Member Account Adjustment)

It is your responsibility as an employer to ensure contributions stay within set contribution limits. Ensure your payroll department knows the limits include:

- combined employee and employer contributions; **plus**
- all additional voluntary contributions to the plan.

If employees over contribute, you will need to request the money back by filling out a PEPP Member Account Adjustment Form. Select the **reason** (Excess) from the drop-down menu.

It is important for you to track employee contribution limits. Doing so will reduce T4 adjustments, extra paperwork, and additional fees for processing excess contribution payments.


**\$30,780 OR 18%**

**Whichever is less.**

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