

## **Salary Deductions**

### **MANDATORY DEDUCTIONS**

Mandatory payroll deductions made by the Board include:

1. State and federal income taxes;
2. Occupational tax, when applicable;
3. Applicable Kentucky Retirement System;
  - **TRS** (Teachers Retirement System): Primarily serves instructors and administrators
  - **KERS** (Kentucky Employees Retirement System): Primarily serves support staff
4. Any deductions required as a result of judicial process, e.g., salary attachments, etc.;
5. Medicare (FICA) when applicable.

### **OPTIONAL DEDUCTIONS**

The following optional payroll deductions are authorized for those employees who choose to participate:

#### **Credit Union**

State employees can participate with credit unions through payroll deduction. Additional information may be obtained from the Personnel/Payroll Officer.

#### **Deduction Percentages**

To have an additional amount/percentage of federal and/or state tax deducted from paychecks, a new W-4 and/or K-4 should be completed in the Kentucky Human Resource Information System (KHRIS).

#### **Deferred Compensation**

The Kentucky Deferred Compensation Authority provides supplemental retirement coverage as an option for employees. Employees pay no federal or state taxes on the portion of their income contributed to the plan until withdrawal. To enroll, employees may contact the Kentucky Public Employees Deferred Compensation Authority.

**Insurance – Health** - See policy 03.124.

**Insurance – Life** - See policy 03.124.

#### **Insurance – Optional**

There are several optional insurance plans that can be payroll deducted, (such as life, dental, etc.), provided they are on the State's approved deduction list. Employees should contact the Personnel/Payroll Officer for specific information.

**KEAP (Kentucky Employee Assistance Program)** - See policy 03.1291.

#### **Savings Bonds**

The purchase of Savings Bonds can be payroll deducted. Contact the Personnel/Payroll Officer for additional information.

**Salary Deductions****OPTIONAL DEDUCTIONS (CONTINUED)****Miscellaneous Payroll Deductions**

There are several miscellaneous deductions including deferred compensation, membership fees, and insurance programs that can be payroll deducted. These must be on the State's approved deduction list. Employees should contact the Personnel/Payroll Officer for specific information.

**REFERENCES:**[KRS 18A.250](#)[KRS 336.134](#)[101 KAR 002:160](#)**RELATED POLICIES:**

03.124

03.1291

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