



Election Form (Severance Payout) – Student Assistants

Employee Name: _____

Employee ID: _____

This form must be completed and returned, as per the attached instructions, **no later than April 30, 2018.**

Please indicate your severance payout option (Please read the payment option summary on reverse before completing):

- Option 1 Severance paid to me with no RRSP contribution
- Option 2 Severance paid to me for transfer to RRSP (**less than \$15,000** complete Declaration of Intent)
- Option 3 Severance paid to me for transfer to RRSP (**more than \$15,000** – Complete T1213)
- Option 4 Transfer a portion to RRSP and remainder of severance paid to me (complete forms as per summary)
Severance for transfer to RRSP \$ _____
- Option 5 Defer Severance to a later date

Please indicate which Quarter you would like to receive payment (paid on date pending receipt of completed forms):

- Apr 1, 2018 - Jun 30, 2018 paid on Jun 28, 2018
- Jul 1, 2018 - Sep 30, 2018 paid on Sep 20, 2018
- Oct 1, 2018 - Dec 31, 2018 paid on Dec 13, 2018
- Jan 1, 2019 - Mar 31, 2019 paid on Mar 21, 2019

Have you ever been employed with Government of Newfoundland, another Provincial Government Agency, Crown Corporation or other related employer? Yes No

If yes, Employer Name: _____ Period of Service: _____

Have you ever received severance pay from the Government of Newfoundland, another Provincial Government Agency, Crown Corporation or other related employer? Yes No

If yes, amount of severance received and number of weeks: \$ _____ and _____ weeks.

I hereby confirm that the information provided above is true, complete and accurate to the best of my knowledge, information and belief. I further acknowledge that if the employer subsequently becomes aware of any material misrepresentation, omission or falsehood that has resulted in an overpayment of severance that the value of any such overpayment shall constitute a debt due to the employer and shall be recovered accordingly.

I have read and understand the above

Employee Signature: _____

Date: _____

Please note: Severance payments will be processed according to the above noted schedule pending receipt of all necessary forms and information. Delays in receiving any information may affect when payment is issued.

Severance Payout - Payment Options Summary

<p>Option 1 – You want the payment, and will not be contributing to an RRSP</p>	<p>Income tax will be withheld from the total severance payout amount. Please return your completed election form; no other documents are required.</p>
<p>Option 2 – You will contribute your payment (\$15,000 or less) to an RRSP</p>	<p>You anticipate a severance payment of \$15,000 or less and agree to contribute the entire (gross) amount of your severance to an RRSP. You must have personal RRSP contribution room available. Income tax <u>will not</u> be withheld from the total severance payment amount.</p> <p>Please return your completed election form AND the Declaration of Intent form (enclosed).</p>
<p>Option 3 – You will contribute your payment (more than \$15,000) to an RRSP</p>	<p>You anticipate a severance payment of more than \$15,000 and agree to contribute the entire (gross) amount of your severance to an RRSP. You must have personal RRSP contribution room available. Income tax <u>will not</u> be withheld from the total severance payment amount.</p> <p>You will need to request a personal tax waiver from CRA. To do this, submit a completed T1213 form to CRA for approval (this may take 60 days). The form can be located on the CRA website at:</p> <p>https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/t1213.html</p> <p>Please return your completed election form by the April 30, 2018 deadline. When you receive your approval from CRA, send it to severance@nlesd.ca immediately. If you do not receive approval for the amount requested, please contact the payroll office to discuss.</p>
<p>Option 4 – You will contribute some of your payment to an RRSP and keep the remainder</p>	<p>Please indicate the amount you will contribute to an RRSP on your election form. Income tax <u>will not</u> be withheld on the amount you agree to contribute.</p> <ul style="list-style-type: none"> ○ If the amount is \$15,000 or less, complete the steps in Option 2. ○ If the amount is over \$15,000, complete the steps for Option 3 <p>If the actual amount of your severance payout is equal to or less than the amount you agree to contribute to an RRSP, you must contribute the entire (gross) amount of the severance payout you receive.</p>
<p>Option 5 – Defer Severance to later date</p>	<p>You are deferring payment of severance to a date later than March 2019 in accordance with guidelines that will be provided by the employer. Please return your completed election form; no other documents are required at this time. If this election is not made by April 30, 2018, any severance owing will be paid in March 2019.</p>

Important Information

If you select Options 1, 2, 3 or 4 there will be mandatory deductions for **CPP** and **EI** premiums unless you have exceeded your maximum annual contribution at the time of the severance payment or you are otherwise exempt from CPP or EI.

If you select Option 5 (severance payout deferred to later date) - treatment of severance payment will depend upon your employment status at time of payout.

If you select Options 1 to 4 outlined in the options summary, the money will be paid directly to you in the same way you receive your regular pay (e.g., direct deposit) included with your biweekly payroll. Your payment will be included as income in box 14 of your T4.

If you select Options 2, 3 or 4 as outlined in the options summary, when you receive your payment you must then make the RRSP contribution through your financial institution. You must contribute the gross amount of the severance payment that you elect. The funds must be contributed to a **registered** retirement savings plan (RRSP). The contribution must be made for the tax year in which you received your payment. Your financial institution will issue an official income tax receipt. When you file your annual tax return, there will be an income inclusion on your T4 for the Severance Payout amount, and you will have an offsetting tax deduction (the tax receipt from your financial institution) for the contributed amount.

Questions regarding completion of Canada Revenue Agency documentation or tax implications should be directed to the Canada Revenue Agency at 1-800-959-8281.

Returning your election form and other documentation

You can return your election form and required documents to your regional Human Resources Office.

You can return the forms in hard copy by mail, or you can scan them as a .pdf file and email them to:

LABRADOR REGION	WESTERN REGION	CENTRAL REGION	AVALON REGION
Labrador Regional Office P.O. Box 1810, Stn. "B" 16 Strathcona Street Happy Valley-Goose Bay, NL A0P 1E0 · Canada	Western Regional Office P.O. Box 368 10 Wellington Street Corner Brook, NL A2H 6G9 · Canada	Central Regional Office 203 Elizabeth Drive Gander, NL A1V 1H6 · Canada	Avalon Regional Office 95 Elizabeth Avenue St. John's, NL A1B 1R6 · Canada

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