

## **602.9107 Amount of annuity.**

1. *a.* The annual annuity of a judge under this system is an amount equal to three percent of the judge's average annual basic salary for the judge's highest three years as a judge of one or more of the courts included in this article, multiplied by the judge's years of service as a judge of one or more of the courts for which contributions were made to the system. However, an annual annuity shall not exceed an amount equal to a specified percentage of the highest basic annual salary which the judge is receiving or had received as of the time the judge became separated from service. Forfeitures shall not be used to increase the annuities a judge or survivor would otherwise receive under the system.

*b.* "*Specified percentage*", for purposes of this section, means as follows:

(1) For judges who retire and receive an annuity prior to July 1, 1998, the specified percentage shall be fifty percent.

(2) For judges who retire and receive an annuity on or after July 1, 1998, but before July 1, 2000, the specified percentage shall be fifty-two percent.

(3) For judges who retire and receive an annuity on or after July 1, 2000, but before July 1, 2001, the specified percentage shall be fifty-six percent.

(4) For judges who retire and receive an annuity on or after July 1, 2001, the specified percentage shall be sixty percent.

2. A judge shall not receive under this article in any calendar year an annuity benefit which, if received in the form of a straight life annuity with no ancillary benefits, exceeds the lesser of the following:

*a.* A dollar limitation of ninety thousand dollars adjusted each January 1 to the dollar limitation determined by the federal commissioner of internal revenue pursuant to section 415(d) of the United States Internal Revenue Code, as amended.

*b.* A compensation limit of one hundred percent of the average compensation paid to the judge during those three consecutive calendar years as a judge of one or more of the courts included in this article which give the highest average.

The limitations of this subsection do not apply to an annuity benefit which is less than ten thousand dollars.

3. The limitations in subsection 2 shall be adjusted as follows:

*a.* If the annuity begins prior to the sixty-second birthday of the judge, the dollar limitation shall be equal to an annual annuity benefit which is equal to the actuarial equivalent of an annuity benefit commencing on the sixty-second birthday of the judge, but not below seventy-five thousand dollars.

*b.* If the annuity begins after the sixty-fifth birthday of the judge, the dollar limitation shall be equal to an annual annuity benefit which is the actuarial equivalent of an annuity benefit commencing on the sixty-fifth birthday of the judge.

*c.* If the annuity begins prior to the judge having ten years of creditable service, the dollar limitation, the one hundred percent of average compensation limitation, and the exception for an annuity benefit which is less than ten thousand dollars, shall be reduced by a fraction, the numerator of which is the total years and months of creditable service, and the denominator of which is ten.

For purposes of the limitations of this subsection, the actuarial equivalent shall be determined from actuarial

tables using the 1983 group annuity table for males and five percent interest compounded annually. The value of the joint and survivorship feature of an annuity shall not be taken into account in applying the limitations of this section.

4. This section is intended to meet the requirements of section 415 of the United States Internal Revenue Code and shall be construed in accordance with that section, and shall, by this reference, incorporate any subsequent changes to that section which apply to the judicial retirement system.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 605A.7]

83 Acts, ch 186, § 10202(2)

CS83, § 602.9107

86 Acts, ch 1243, § 36; 98 Acts, ch 1183, §101; 2000 Acts, ch 1077, §115; 2002 Acts, ch 1135, §54

Legislative intent regarding increases in maximum percentage multiplier for calculating annuities; 98 Acts, ch 1183, §105