

294.10A Pickup of teacher assessments.

1. Notwithstanding [section 294.9](#) or other provisions of [this chapter](#), for federal income tax purposes beginning January 1 following the submission by a board of trustees of an application to the federal internal revenue service requesting qualification of a plan in accordance with the requirements of the Internal Revenue Code, as defined in [section 422.3](#), and for state income tax purposes beginning January 1, 1999, or January 1 following an application for qualification, whichever is later, teacher assessments required under [section 294.9](#) which are picked up by an employing school district shall be considered employer contributions for federal and state income tax purposes, and each employing school district establishing a pension and annuity retirement system pursuant to [this chapter](#) shall pick up the teacher assessments to be made under [section 294.9](#) by its employees commencing on the applicable date on which the assessments shall be considered employer contributions for income tax purposes under [this subsection](#). Each employing school district shall pick up these teacher assessments by reducing the salary of each of the teachers covered by [this chapter](#) by the amount which each teacher is required to contribute through assessments under [section 294.9](#) and shall pay to the board of trustees the amount picked up in lieu of the teacher assessments for recording and deposit in the fund.

2. Teacher assessments picked up by each employing school district under [subsection 1](#) shall be treated as employer contributions for federal and state income tax purposes only and for all other purposes of [this chapter](#) shall be treated as teacher assessments and deemed part of the teacher's wages or salary.

[94 Acts, ch 1183, §64; 95 Acts, ch 67, §22; 98 Acts, ch 1174, §3, 6](#)