

Highlights...



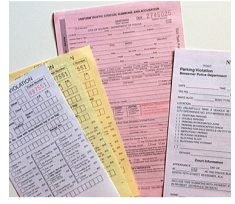
COURT RULING



RESOURCES



FYI



REMINDERS

U.S. SUPREME COURT RULING FOR NON-QUALIFIED STOCK OPTIONS



In the case *Wisconsin Central Ltd. v. United States*, 138 S.Ct. 2067 (2018), the Supreme Court of the United States (SCOTUS) ruled that non-statutory stock options granted to employees are not taxable "money remuneration" under Section 3231(e)(1) of the Railroad Retirement Tax Act (RRTA). Since non-statutory stock options are no longer considered taxable compensation under the RRTA, interim instructions for reporting purposes are that they are also no longer considered creditable compensation under the Railroad Retirement (RRA) and Railroad Unemployment Insurance (RUIA) Acts. For more information about the ruling, please consult [PL 2019-02, Changes in Creditable Compensation for Non-Qualified Stock Options—Effective for Compensation Reports for Calendar Year 2018](#).

RESOURCES FOR EMPLOYERS



The RRB website (RRB.gov) is not just a source of information for annuitants and beneficiaries. We also provide a large number of resources for rail employers and rail labor organizations. The information available is divided into four general categories:

- **Employer Online Services** – Web-based resources frequently used by rail employers and rail labor organizations.
- **Forms** – A list of various forms covered employers use to report creditable service, compensation, and other related activities to the RRB. Available to view and print.
- **Publications** – Contains links to newsletters, program/circular letters, and additional resources covering topics of interest for covered employers.
- **Reporting Instructions** - Detailed information on the role and responsibilities of all covered employers for reporting under the RRA and RUIA; along with examples on how and when to report to the RRB.

If you have any questions regarding your responsibilities as a covered employer, please contact the Quality Reporting Service Center (QRSC) using the information listed at the end of this newsletter.

Job Vacancy Listing

The RRB routinely maintains an online job vacancy list as openings are reported by hiring railroad employers. In addition to the list, employers are encouraged to provide us with a direct link to where employment information resides on their company's website. To provide the RRB with this information, please contact an RRB Field Office at (877) 772-5772 or email JVL@rrb.gov.

FOR YOUR INFORMATION



BA-9 Form Added to ERSNet

The RRB will add Form BA-9, *Report of Separation Allowance or Severance Pay*, to the ERSNet system by the end of September 2019. The BA-9 is used by employers to report separation allowances or severance payments made to employees. This report is needed by the RRB to establish disqualification periods for unemployment and sickness benefits and to calculate any Separation Allowance Lump Sum benefits due at retirement. Access to the BA-9 form on ERSNet can be gained by submitting a completed **Form BA-12, Application for Employer Reporting System** to the RRB.

RRB Online Services Survey

Thank you to those who participated in the RRB Railroad Employers Focus Groups in July. By providing input regarding your interactions with the RRB you have assisted significantly with our re-engineering efforts. As discussed in the Focus Group, we are interested in feedback from your active railroad employees to help us make decisions about current and future online services offered by the RRB. The RRB Online Services Survey (<https://survey.us.confirmit.com/wix/p3092699632.aspx?r=rr>) will be open until Friday, September 20, 2019. NOTE: The survey will take about 25 minutes, and must be completed in one session. All responses are voluntary and anonymous.

REMINDERS



Annual Notices under the RUIA

In early October 2019, we will release the ID-40R/S forms, Annual Notice under the RUIA, for the 2020 calendar year. These forms notify employers of their Railroad Unemployment Insurance Act (RUIA) contribution rate to be used during the period of January 1 through December 31, 2020. If you do not receive the form by the end of the month, please contact the Quality Reporting Service Center at the telephone number or email address below.

Annuity Estimates

The RRB Annuity Estimate Operation (AESOP) will be released in September. This provides annuity estimates for all of the eligible employees for railroad employers and their subsidiaries. The type of information can be very helpful with retirement planning. If you do not currently receive AESOP for your organization and you want to receive it in the coming years, contact QRSC at the number or email address listed below.

Deemed Service

The annual Form GL-99, *Employer's Deemed Service Months Questionnaire* was released to employers in June of this year. If you haven't already, please return the completed form ASAP. The information you provide may result in the RRB awarding additional months of service to the applicable employees based on their reported service months and Tier II compensation for calendar year 2018.

Employee Return to Railroad Service

The RRB released Forms GL-132, *Notices of Service Reported for Annuitant Who is Receiving an RRB Annuity* to employers in order to verify whether former employees are correctly receiving retirement benefits under the Railroad Retirement Act (RRA). Annuitants who return to work for employers covered under the RRA are not entitled to retirement annuities from the RRB. Compensation can be credited to an employee's account when paid, regardless of when the employee retires or resigns. However, service months must be credited when the service is performed. No additional service months can be credited after the employee stops working and relinquishes his/her rights to work for your company. If service had been reported for your former employee after his /her retirement annuity began you may have received a Form GL-132. This form will help us determine whether the service was credited properly. Please help us reconcile these records by completing and returning this form to our office as soon as possible.

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