

Academic Compensation Deferred Election Form 2025-2026

Section 409A of the Internal Revenue Code established certain requirements for deferred compensation. This IRS Code applies to academic faculty members who are paid under a nine-month or ten-month teaching contract, but voluntarily elect to receive their compensation over a twelve-month period. The election to spread academic compensation over a twelve-month period is considered deferred compensation subject to section 409A of the Code because the election results in compensation earned in one calendar year be paid in the following calendar year.

To elect to have your pay annualized over twelve (12) months or to stop enrollment, please complete the bottom portion of this form. The form must be received by Campus or DO Payroll Department no later than **August 27, 2025.**

Please Note:

- *Only full-time faculty members (job family 301 or 303) or Middle College (job family 444) are eligible for deferred compensation*
- *Once an election is made, it is irrevocable for that academic year.*
- *Elections revoked during the academic year, the IRS may subject the employee to additional income tax and penalty charges of 20% per the Section 409A code.*
- *Employees retiring or terminating prior to or by the end of this academic year should not exercise this option or the penalty charges of 20% per the Section 409A code will be applied.*
- *Employees currently on deferred pay will have the election rolled over to the next academic year – **NO ACTION IS REQUIRED.***
- *If you wish to termination your election for next academic year, please return our form no later than August 27, 2025*

If you have any questions please contact your local Payroll Department Timekeeper or email cccpayroll@ccc.edu.

To ensure compliance with IRS regulations please complete the following below:

- ☐ I elect to be paid over 12-months instead of 9-months. I am ☐ full-time faculty ☐ Middle College
- ☐ Please cancel my election, I do not wish to be enrolled for the upcoming academic year.

Please Print Name

Employee ID

Select College

College

08/2025

Effective beginning of academic year (month/year)

Signature

Date

Please submit the completed form to your local Payroll Department or email cccpayroll@ccc.edu by the deadline referenced above.