



Town of Mansfield

Treasurer/ Collector

6 Park Row

Mansfield, MA 02048

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MEMORANDUM

TO: All Temporary, Seasonal and Part-Time Employees, NOT covered by Retirement

In accordance with IRS regulations, municipal employees who are not covered by the Town's plan (Bristol County Retirement System or MA Teachers Retirement System), must contribute to a retirement plan. The Town of Mansfield provides a defined contribution plan for all temporary, seasonal and part-time employees. This is a Governmental 457(b) Plan called the Massachusetts Deferred Compensation SMART Plan ó Mandatory OBRA.

The way the plan works is:

1. Payments (payroll deductions) are made on a pre-tax basis. Taxes are deferred until the money is withdrawn.
2. The contribution rate is 7.5% of gross wages.
3. Contributions to the plan earn interest for you.
4. Funds contributed to the plan and the interest earned may be maintained in the account until retirement or withdrawn after termination of employment with the Town.

NOTE: As a Town employee, Social Security contributions will not be withheld from your wages. However, Medicare tax will be withheld at the rate of 1.45%. Participation in the deferred compensation plan is mandatory for all employees who are not covered by the Town's retirement plan.

If you are NOT a member or retiree of the Bristol County Retirement System (BCR), you MUST enroll in **OBRA**. If you ARE a member in BCR, you must fill out the **BCR Statement**.

If you have any questions or concerns regarding this matter, please contact the Treasurer's Office at (508) 851-6426. Thank you.