**Section 1650.511 Separation from Service**

a) Under the provisions of section 401(a) of the Internal Revenue Code (26 USC 401(a)), a member must "separate from service" to be eligible to receive a retirement benefit from the System.

b) To meet the "separation from service" requirement of the Internal Revenue Code, an annuitant cannot return to work with his or her last employer in a certified position unless:

1) Re-employment was not discussed nor arranged until 30 days after the annuitant's date of retirement.

2) The annuitant is not employed by the annuitant's last employer prior to 30 days after the annuitant's last day of contributing service. However, as provided in Section 16-118(a)(1) of the Pension Code [40 ILCS 5/16-118(a)(1)], an annuitant may not accept employment as a teacher during the school year in which the member terminated service.

3) The annuitant is employed no more than the limit provided in Section 16-118(a)(2) of the Pension Code in the school year following the school year in which the member terminated service.

c) An annuitant and employer cannot avoid the limitations in post-retirement employment provided in Section 16-118 of the Pension Code by allowing the annuitant to relinquish his or her teaching certificate and continue in the same position.

d) An annuitant and employer cannot avoid the limitations in post-retirement employment provided in Section 16-118 of the Pension Code by changing the annuitant's pre-retirement job title or by a minor adjustment in the annuitant's pre-retirement job duties causing the annuitant's former position to no longer require certification under the laws governing the certification of teachers.

e) Failure to "separate from service" shall nullify an annuitant's retirement and constitute a return to service under Section 16-150(d) of the Pension Code.

(Source: Amended at 36 Ill. Reg. 18914, effective December 14, 2012)