

**District Office**

**Bryan M. Girbach**  
Superintendent  
**Ryan McMahon**  
Assistant Superintendent  
**Krista Hendrix**  
Finance Director  
**Lon A. Smith**  
Director of Student Services



November 28, 2017 (amended January 30, 2018)

To Whom It May Concern:

Milan Area Schools submitted protective claims for refund for the 2014 calendar year. This claim related to a law passed by the State of Michigan relating to mandatory contributions to the retirement fund to help fund retiree health care costs related to the Michigan Public Schools Employee Retirement System. Milan Area Schools treated these contributions as subject to Social Security and Medicare taxes and submitted the corresponding tax to the Internal Revenue Service.

In August of 2016 the district was notified, by the Internal Revenue Service, that it had been determined that these contributions should be Social Security and Medicare tax exempt. In 2017 a perfected claim was submitted and payment was received from the Internal Revenue Service for the 2014 tax year. The perfected claim, and the subsequent refund, was only for the school district's portion of the tax.

**The employee has not authorized the employer to file a claim, nor has the employee been repaid or reimbursed by the employer for the amount overwithheld.**

The claims paid by the IRS did not reflect the employee portion of the taxes paid; therefore the employee is due a refund for their portion of these taxes.

Sincerely,



Bryan M. Girbach  
Superintendent of Schools