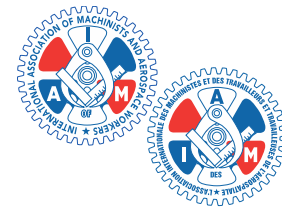


**INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE WORKERS
ASSOCIATION INTERNATIONALE DES MACHINISTES
ET DES TRAVAILLEURS ET TRAVAILLEUSES
DE L'AÉROSPATIALE**



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Toronto, January 04, 2023

To: All staff and full-time officers

Re: Calculation of the Pension Adjustment when preparing T4s for 2022

Dear Brothers, Sisters and Siblings,

This is a reminder that you need to calculate a pension adjustment (PA) for anyone who earned credit under the IAM staff pension plan during the year 2022 and include this number in **box 52** of the T4 form for that member.

The PA for 2022 is 18% of [employment income (**box 14** on the T4) minus any taxable benefits included in employment income] minus \$600.

For example, if employment income was \$64,000, which includes \$4,000 of taxable benefits (this number may be different in your case), the PA would be 18%.

$\$64,000 - \$4,000 = \$60,000$

$\$60,000 \times 18\% = \$10,800$

$\$10,800 - \$600 = \mathbf{\$10,200}$.

The maximum PA for 2022 is **\$ 30,780**. If the above calculation produces a higher number than \$30,780, insert \$ 30,780 in **box 52** of the T4 form.

If the plan member has accumulated 25 years of credited service in the plan, he/she no longer accumulates credit and there is no PA for a year in which no pension credit is earned.

Note also that the PA is based on pension benefits earned in the year, not whether or not contributions were made.

The registration number of the IAM staff pension plan is **9888966**. This number should be inserted in **box 50** of the T4 form.

If you have any questions concerning this, please do not hesitate to contact me.

Ivana Saula

Research Director for Canada

CC David Chartrand, GVP for the Canadian Territory
Gord Falconer, Chief of Staff
Linda Fisher, Accounting Department
