



Roberto L. Peña
Retirement Administrator

**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
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July 5, 2005

Dear Retiree:

In response to the questions received regarding the tax impact of your repayment of excess benefits, we have prepared the following information to explain how FCERA will be reporting for tax purposes any repayments on excess benefits.

At year-end, FCERA will reduce your gross and taxable earnings to properly reflect the repayments made during the calendar year before preparing the Form 1099Rs for 2005. This approach allows FCERA to accomplish two objectives, to accurately report your gross retirement allowance for tax purposes and for lending purposes in the event you apply for credit.

Please note that FCERA is not able to provide you with tax advice. We encourage you to seek advice from your own tax professional on the proper method to report the repayment of excess benefits on your tax return.

Thank you for your patience and understanding throughout this challenging process.

Please call the retirement office at 559.457.0681 if you have any questions.

Sincerely,

Roberto L. Peña
Retirement Administrator

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