

Employee Backpay, ICP/Profit Sharing Payment Details

Legal & Other Deductions

The information below outlines how upcoming January 2018 Backpay, and ICP/Profit Sharing payments (for those who qualify) may be subject to payroll deductions. Specific handling of these deductions for each employee may be impacted by the amount of the payment, the priority of the deduction, and timing of recent deductions.

- **Legal garnishments**
 1. **Creditors, student loans, and tax levy garnishments** that are calculated as a percent of pay will be deducted up to the maximum limit or the outstanding balance of garnishment whichever is less.
 2. Deductions for **child/spousal/support orders** and **bankruptcy orders** that have a fixed monthly obligation will not exceed the monthly obligation amount.
 - For example, your monthly obligation is \$500 or \$250 per pay period. If we deduct \$250 out of your first half January paycheck and deduct \$250 out of your ICP/Profit Sharing paycheck, we will not deduct \$250 out of your last half January paycheck.
 3. If BNSF received a **lump sum order** from a State Disbursement Unit for **support payments in arrears** these will also be withheld up to the maximum limit or the outstanding arrears balance whichever is less.

- **Federal Tax Withholding** – According to IRS guidelines, Backpay, and ICP/Profit Sharing earnings are classified as “supplemental wages” and are required to be withheld at the rate of 25%.

If you have any questions concerning legal & other deductions, please email Garnishments@BNSF.com or ChildSupport@BNSF.com or call 817-593-4357 option 3, 3 &3.

Payment Method

The payment method (direct deposit or check) will not change from normal payroll processing. Additional bank accounts are funded before your main bank account. Once the additional bank accounts are funded, the remainder of the net payment is sent to your main bank account.