

MEMORANDUM

To: UAB Payroll Services
From: UAB HR Employee Relations
Subject: Severance Pay Tax Exemption Qualification

Employee Name: _____ Employee ID: _____

The aforementioned employee has elected to receive a one-time lump sum severance payment. In accordance with §§ 40-2A-7(a)(5) and 40-18-19.1, Code of Alabama, 1975, the first \$25,000 of the severance package is exempt from state income tax, city occupational tax and county occupational tax.

- Payment **qualifies** for exemption

- Payment **does not qualify** for exemption

UAB HR Employee Relations Representative

Date