

employee retirement system. The disbursing officials paying these individuals shall withhold and pay to the State employee retirement system or to the person or organization designated by State authorities to receive sums withheld for the program the employee contributions for these individuals. For the purpose of this section, "State" means a State or territory or possession of the United States including the Commonwealth of Puerto Rico.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 479.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 84d.	June 15, 1956, ch. 390, 70 Stat. 283. Sept. 13, 1961, Pub. L. 87-224, § 1, 75 Stat. 496.

The words "individuals employed by" and the word "individuals" are substituted for "civilian employees of" and "employees", respectively, in view of the definition of "employee" in section 2105 which is limited to those employed by the Government of the United States. The word "civilian" is omitted as unnecessary as military personnel are not "employed". The words "disbursing officials" are substituted for "disbursing officers" as the definition of "officer" in section 2104 excludes a member of a uniformed service.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

Executive Documents

EX. ORD. NO. 10996. WITHHOLDING OF COMPENSATION FOR STATE AND STATE-SPONSORED EMPLOYEE RETIREMENT, DISABILITY, OR DEATH BENEFITS PROGRAMS

Ex. Ord. No. 10996, Feb. 16, 1962, 27 F.R. 1521, provided:

By virtue of the authority vested in me by the act of June 15, 1956, as amended, 75 Stat. 496 (5 U.S.C. 84d) [now this section], and by section 301 of title 3 of the United States Code, and as President of the United States, it is ordered as follows:

SECTION 1. As used in this order, the term:

(a) "Employees" means civilian employees of the Army National Guard or Air National Guard of a State who are employed pursuant to section 709 of title 32 of the United States Code, and paid from Federal, appropriated funds.

(b) "State" means one of the United States, the Commonwealth of Puerto Rico, and any territory of the United States.

SEC. 2. Each agreement between the Secretary of Defense and the Governor or other proper official of a State, pursuant to the provisions of the act of June 15, 1956, as amended, with respect to withholding of compensation of certain civilian employees of the Army National Guard and the Air National Guard for purposes of State or State-sponsored employee retirement, disability, or death benefits systems, shall be entered into by the Secretary of Defense within one hundred and twenty days of the receipt of a request therefor by the Secretary from the Governor or any other proper official of any State; *Provided*, that—

(a) the law of such State provides for the payment of employee contributions to such State or State-sponsored employee retirement, disability, or death benefits systems by withholding sums from the compensation of such State employees and making returns of such sums to officials of such State or organization designated by such officials to receive sums withheld for such programs;

(b) civilian employees of the Army National Guard and the Air National Guard, other than those employed by the National Guard Bureau, are eligible for member-

ship in a State retirement, disability, or death benefits system; and

(c) each such agreement is consistent with the provisions of the said act of June 15, 1956, as amended, and of rules and regulations issued thereunder, and contains a clause that it shall be subject to any amendments of the said act, including amendments occurring after the effective date of such agreement.

SEC. 3. Each such agreement shall:

(a) Provide that the Secretary of the Army with respect to civilian employees of the Army National Guard, and the Secretary of the Air Force with respect to civilian employees of the Air National Guard, shall comply with the requirements of such State law in the case of employee subject to the said act of June 15, 1956, as amended, who are eligible for membership in such retirement, disability, or death benefits system for State employees;

(b) Specify when the withholding of sums from the compensation of such State employees shall commence; and

(c) Provide for procedures for the withholding, the filing of the returns, and the payment of the sums withheld from compensation to the officials of the State, or organization designated by such officials to receive sums withheld for such programs, which procedures shall conform, so far as practicable, to the usual fiscal practices of the Department of the Army and the Department of the Air Force, respectively.

SEC. 4. The Secretary of the Army with respect to civilian employees of the Army National Guard, and the Secretary of the Air Force with respect to civilian employees of the Air National Guard, shall designate, or provide for the designation of, the officers or employees whose duty it shall be to withhold sums from compensation, file required returns, and direct the payment of sums so withheld, in accordance with the terms of the agreements entered into between the Secretary of Defense and the States.

SEC. 5. Nothing in this order, or in rules or regulations issued thereunder, or in any agreement entered into pursuant thereto, shall be construed as giving consent to the application of any provision of law of any State which has the effect of imposing more burdensome requirements upon the United States than it imposes upon departments, agencies, or political subdivisions of the State concerned, with respect to employees thereof who are members of the State or State-sponsored retirement, disability, or death benefits system, or which has the effect of subjecting the United States or any of its officers or employees to any penalty or liability.

SEC. 6. I hereby delegate to the Secretary of Defense authority to prescribe such rules and regulations, not inconsistent herewith, as may be necessary to effectuate further the provisions of the said act of June 15, 1956, as amended, or of this order.

SEC. 7. Except to the extent that they may be inconsistent with this order, all determinations, authorizations, regulations, rulings, certificates, orders, directives, contracts, agreements, and other actions made, issued, or entered into with respect to any function affected by this order and not revoked, superseded, or otherwise made inapplicable before the date of this order, shall continue in full force and effect until amended, modified, or terminated by appropriate authority.

SEC. 8. This order supersedes Executive Order No. 10679 of September 20, 1956.

JOHN F. KENNEDY.

§ 5519. Crediting amounts received for certain Reserve or National Guard service

An amount (other than a travel, transportation, or per diem allowance) received by an employee or individual for military service as a member of the Reserve or National Guard for a period for which he is granted military leave

under section 6323(b) shall be credited against the pay payable to the employee or individual with respect to his civilian position for that period.

(Added Pub. L. 90-588, §2(b), Oct. 17, 1968, 82 Stat. 1152; amended Pub. L. 102-378, §2(39), Oct. 2, 1992, 106 Stat. 1351; Pub. L. 104-106, div. A, title V, §516(b), Feb. 10, 1996, 110 Stat. 309; Pub. L. 117-81, div. A, title XI, §1109(a), Dec. 27, 2021, 135 Stat. 1951.)

Editorial Notes

AMENDMENTS

2021—Pub. L. 117-81 struck out “or (c)” after “section 6323(b)”.

1996—Pub. L. 104-106 substituted “granted military leave” for “entitled to leave”.

1992—Pub. L. 102-378 substituted “6323(b) or (c)” for “6323(c) or (d) of this title”.

Statutory Notes and Related Subsidiaries

APPLICATION OF 2021 AMENDMENT

Pub. L. 117-81, div. A, title XI, §1109(b), Dec. 27, 2021, 135 Stat. 1951, provided that: “The amendment made by subsection (a) [amending this section] shall apply to any amounts credited, by operation of such section 5519, against the pay of an employee or individual described under section 6323(c) of such title on or after the date of enactment of this Act [Dec. 27, 2021].”

§ 5520. Withholding of city or county income or employment taxes

(a) When a city or county ordinance—

(1) provides for the collection of a tax by imposing on employers generally the duty of withholding sums from the pay of employees and making returns of the sums to a designated city or county officer, department, or instrumentality; and

(2) imposes the duty to withhold generally on the payment of compensation earned within the jurisdiction of the city or county in the case of employees whose regular place of employment is within such jurisdiction;

the Secretary of the Treasury, under regulations prescribed by the President, shall enter into an agreement with the city or county within 120 days of a request for agreement by the proper city or county official. The agreement shall provide that the head of each agency of the United States shall comply with the requirements of the city or county ordinance in the case of any employee of the agency who is subject to the tax and (i) whose regular place of Federal employment is within the jurisdiction of the city or county with which the agreement is made or (ii) is a resident of such city or county. The agreement may not apply to pay for service as a member of the Armed Forces (other than service described in section 5517(d) of this title). The agreement may not permit withholding of a city or county tax from the pay of an employee who is not a resident of, or whose regular place of Federal employment is not within, the State in which that city or county is located unless the employee consents to the withholding.

(b) This section does not give the consent of the United States to the application of an ordinance which imposes more burdensome require-

ments on the United States than on other employers or which subjects the United States or its employees to a penalty or liability because of this section. An agency of the United States may not accept pay from a city or county for services performed in withholding city or county income or employment taxes from the pay of employees of the agency.

(c) For the purpose of this section—

(1) “city” means any unit of general local government which—

(A) is classified as a municipality by the Bureau of the Census, or

(B) is a town or township which, in the determination of the Secretary of the Treasury—

(i) possesses powers and performs functions comparable to those associated with municipalities,

(ii) is closely settled, and

(iii) contains within its boundaries no incorporated places, as defined by the Bureau of the Census,

within the political boundaries of which 500 or more persons are regularly employed by all agencies of the Federal Government;

(2) “county” means any unit of local general government which is classified as a county by the Bureau of the Census and within the political boundaries of which 500 or more persons are regularly employed by all agencies of the Federal Government;

(3) “ordinance” means an ordinance, order, resolution, or similar instrument which is duly adopted and approved by a city or county in accordance with the constitution and statutes of the State in which it is located and which has the force of law within such city or county; and

(4) “agency” means—

(A) an Executive agency;

(B) the judicial branch; and

(C) the United States Postal Service.

(Added Pub. L. 93-340, §1(a), July 10, 1974, 88 Stat. 294; amended Pub. L. 94-358, §1, July 12, 1976, 90 Stat. 910; Pub. L. 95-30, title IV, §408(a), May 23, 1977, 91 Stat. 157; Pub. L. 95-365, §1, Sept. 15, 1978, 92 Stat. 599; Pub. L. 100-180, div. A, title V, §505(2), Dec. 4, 1987, 101 Stat. 1086.)

Editorial Notes

AMENDMENTS

1987—Subsec. (a). Pub. L. 100-180 inserted “(other than service described in section 5517(d) of this title)” after “Armed Forces” in penultimate sentence.

1978—Subsec. (a). Pub. L. 95-365 designated existing provisions as cl. (i), inserted “, or whose regular place of Federal employment is not within,” after “not a resident of”, and added cl. (ii).

1977—Pub. L. 95-30, §408(a)(1), inserted “or county” after “city” in section catchline.

Subsec. (a). Pub. L. 95-30, §408(a)(2), (3), substituted “city or county” for “city” in introductory provisions preceding par. (1), in par. (2), and in provisions following par. (2), and, in par. (1), substituted “a designated city or county officer, department, or instrumentality” for “the city”.

Subsec. (b). Pub. L. 95-30, §408(a)(2), substituted “city or county” for “city”.

Subsec. (c). Pub. L. 95-30, §408(a)(4), (5), added pars. (2) and (3) and redesignated former par. (2) as (4).