

Division 13 Members,

Some questions were presented involving back wages, new wage scale implementation, and our bonus. I emailed the head of TY&E Comps, and this was their reply.

Mike Banks  
Local Chairman  
BLET Division 13

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I have a question for you regarding back pay. The contract reads that the bonus and back pay will be paid at the same time. What I would like to know is if by that they mean that they will be paid on the same check, or if two checks will be mailed at the same time? The reason I ask is that some are concerned that the bonus will be taxed at a different rate than the back wages. They were not sure how that would work having both incorporated into one check. Perhaps they are to be taxed at the same rate and it is a moot point. Do you know if the Conductors are scheduled to receive backpay the same day as the Engineers? Lastly, what day will the Conductors' new pay rates go into effect, and if already in effect what day was it in effect?

Thanks,  
Mike Banks  
BLET LC La Crosse

ANSWER-

Mike,

Any bonuses applicable and backpay applicable will be paid on the same check for BLET and SMART-TD pay dates. The payment method (direct deposit or check) will not change from normal payroll processing.

According to IRS guidelines, the backpay and bonuses are classified as "supplemental wages" and are required to be withheld at the rate of 22%.

If any of your employees have questions concerning legal and other deductions, please have them email [Garnishments@BNSF.com](mailto:Garnishments@BNSF.com) or [ChildSupport@BNSF.com](mailto:ChildSupport@BNSF.com).

The SMART-TD will not be receiving their backpay on the same day as the engineers. The BLET pay date is scheduled for 01-11-2023. The tentative date for SMART-TD is 01/30/2023.

The SMART-TD pay rates will be effective on 12/16/2022. Just like with the BLET, we have to wait to input the rates until 12/17/2022, which is after we close the first half of December. So, when they tie up

tickets on the 16<sup>th</sup> and most of the 17<sup>th</sup>, their rates won't be increased yet. Please ask them to be patient while we work on getting the rates increased on the 17<sup>th</sup>. Then on Monday the 19<sup>th</sup>, we will do a mini-re-gross of any tickets that came in on the 16<sup>th</sup> and 17<sup>th</sup>.

I hope all this makes sense and helps with the questions you are getting.

Thank you,

Crystal