

**Exhibit 27: Modification for retroactive Section 218 (b)(5) coverage requiring a closing agreement (Absolute Coverage Group)**

This modification extends retroactive coverage beyond the three-year statutory period for FICA tax collection and requires a closing agreement to employees in positions not covered by a retirement system (i.e., an absolute coverage group). (At the option of the State, it includes a statement that coverage under this agreement continues for this group if the positions later come under a retirement system.)

**MODIFICATION NO. \_\_\_\_\_**

**To \_\_\_\_\_ STATE SOCIAL SECURITY AGREEMENT**

The Commissioner of Social Security and the State of \_\_\_\_\_, acting through its representative designated to administer its responsibilities under the agreement of (date original agreement executed), hereby accept as an additional coverage group (as defined in Section 218 (b)(5) of the Social Security Act) under said agreement and acknowledge full applicability of the terms of said agreement to the following political subdivision; and, it is agreed that services performed in this coverage group shall continue to be covered by said agreement, after the effective date specified herein, for those positions within this coverage group.

Political Entity \_\_\_\_\_ (Name/Address)

EIN: \_\_\_\_\_

Number of Employees: \_\_\_\_\_

Effective Date of Coverage: \_\_\_\_\_ (See statement below)

Excluded Services \_\_\_\_\_

**Closing Agreement Language**

(Name of Political Entity) \_\_\_\_\_ promises to pay, to the Department of the Treasury, contributions equal to the sum of the taxes, which would have been required from employers and employees under the Federal Insurance Contribution Act (FICA), as of the effective date of coverage. (Name of Political Entity) \_\_\_\_\_ also promises to enter into a closing agreement with the Internal Revenue Service (IRS) to effectuate this modification, including the agreement to pay all FICA contributions for the entire period of coverage. This modification is contingent upon the execution of a closing agreement between (Name of Political Entity) \_\_\_\_\_ and the IRS.

In accordance with Section 218(e)(2) of the Act, the State of \_\_\_\_\_ designates the following date: \_\_\_\_\_.

Approved for the State of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
Name/Title of Designated Official

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Commissioner of Social Security

By: \_\_\_\_\_  
Regional Commissioner (or authorized delegate)  
Social Security Administration