Scheduling Your Retirement

Out-Processing Meeting

Once you have your finalized retirement date and given your resignation letter to your department, please contact Fannie Layer at 972-941-5019 or fanniel@plano.gov to schedule your retirement out-processing. This meeting will need to be scheduled around 30 - 60 days prior to your retirement date.

The meeting will take approximately 1 hour. Below are items you will need to bring with you to the meeting:

- Driver's license
- Copy of spouse's driver's license
- Voided check
- Beneficiary information to include:
    - Name
    - Social Security number
    - Address
    - Date of birth
- Medicare card, if applicable

TMRS®

TEXAS MUNICIPAL RETIREMENT SYSTEM

Service Retirement Packet

(TMRS-SRP)

Purpose:
When a member becomes eligible for service retirement, he or she may apply for a monthly retirement payment by completing the forms provided in this packet.

In most TMRS cities, you can retire when you have at least 5 years of service credit (some cities require 10 years) and are at least age 60. You may also retire at any age if you have 20 or 25 years of service credit, depending upon the plan your city has chosen. (A few cities require 28 years of service credit at any age.)

FORMS INCLUDED IN THIS PACKET:

- Application for Service Retirement (TMRS-0015)
- Selection of Retirement Plan (TMRS-24)
- Selection of Partial Lump Sum Distribution (TMRS-PLSD)
- Special Tax Notice Notice Regarding Plan Payments
- Acceptable Proofs of Birth (TMRS-27)
- Name Certification (TMRS-30)
- Electronic Direct Deposit Authorization (TMRS-80E)

Texas Municipal Retirement System
P.O. Box 149153
Austin, Texas 78714-9153

800.924.8677 • 512.476.7577 • FAX 512.476.5576 • www.TMRS.com

Application for Service Retirement

MEMBER INFORMATION

Please type or use only black ink and do not highlight. Any corrections must be initialed.

TMRS Identification Number (Not required)

Member's Name (first, middle, last) | Social Security Number

Mailing Address | Daytime Phone Number

City | State | Zip | City of Plano
Employing City

I certify that **I was** ☐ **/ was not** ☐ a Public Safety Employee when I separated from service from the employing city listed below.
(Public Safety Employee is defined in the instructions provided with this form.)

I hereby make formal application for service retirement benefits in accordance with the provisions of Subtitle G, Title 8, Texas Government Code, to be effective on the last day of ____________________.
Date (MM/YYYY)

Note: *The retirement date must be the last day of the calendar month, cannot precede the date you terminate employment, and cannot precede the date you file this application. By signing the application below, you agree to waive any requirement to file the application at least 30 days before the effective date of your retirement. In addition, your city may have specific notification requirements. Please check with your city personnel office to ensure all city requirements have been satisfied.*

I do ☐ / **I do not** ☐ elect to receive a **partial lump-sum distribution** upon my retirement.
All lump-sum distributions will be made as a one-time payment, payable at the same time as the first monthly annuity payment. Election of the partial lump-sum distribution will reduce my monthly annuity payment.

MEMBER CERTIFICATION

I understand that if I am employed by any TMRS member city after my retirement, in a position requiring at least 1,000 hours of duty per year, I will resume membership in the System and make required contributions as an active member. If the city is a **different** city than the one I retired from, I understand that I will continue to receive a monthly annuity. However, if I return to work for the **same** city I retired from, I understand that the monthly annuity will be suspended until such time as my employment with the city terminates.

Member's Signature | Date Signed (MM/DD/YYYY)

EMPLOYER CERTIFICATION

I certify that the above named applicant is known to me and that he/she has been an employee of this city. I further certify that this applicant's employment with the city has/will terminate **on** ____________________ and that all of the applicant's retirement contributions will have been submitted to TMRS with the city's payroll report for the ***month of retirement.***
Date (MM/YYYY)

Signature of City Official | Date Signed (MM/DD/YYYY)

Fannie Layer, HR Analyst, Sr.
Printed Name and Title

City of Plano
Employing City

Please read the instructions provided with this form.

THE APPLICATION PROCESS

- The Application for Service Retirement form allows you to make formal application for service retirement with the Texas Municipal Retirement System. This form also indicates whether you wish to take a partial lump sum distribution. If you are taking a partial lump sum distribution, you must also complete the Selection of Partial Lump Sum Distribution form and return the form to TMRS along with your retirement application.
- Your retirement date must be the last day of the calendar month, cannot precede the date you terminate employment and cannot precede the date you file this application. By signing this application, you agree to waive any requirement to file the application at least 30 days before the effective date of your retirement. **Note: Your retirement application must be received by TMRS no later than your retirement date and not earlier than 90 days prior to your retirement date.**
- Your employing city may have specific requirements for you to notify them of your retirement. Notifying your city and applying to TMRS for retirement are two separate processes. Please coordinate your retirement with your city personnel office to ensure you have met the city's requirements.
- You must complete the following forms before TMRS issues your first payment:
  - Application for Service Retirement — to be completed by you and certified by your employer
  - Selection of Retirement Plan
  - Selection of Partial Lump Sum Distribution — to be completed by you ONLY if you elect to receive a partial lump sum distribution.
  - Your proof of birth (photocopy)
  - Proof of birth for your designated beneficiary only if you choose one of the Retiree Life with Survivor Benefits options

  NOTE: *If the birth name on the proof of birth is different from the names provided on your application (for you or your beneficiary), a Name Certification will need to be completed.*

  - Electronic Direct Deposit Authorization — Retiring members must have their monthly annuity payments electronically deposited to their financial institutions.

RETURNING TO WORK

- If you become reemployed by this city at a later date, in a membership-eligible position, your monthly benefit payments from this city will be suspended during your post-retirement employment.
- When your post-retirement employment ends, you must apply for the resumption of your suspended monthly benefit payment. At that time, you will also be eligible to elect:
  1. A lump sum refund of your post-retirement deposits and interest earnings, if any, or
  2. An additional monthly benefit payment based on the retirement credits earned during your post-retirement employment.

WHEN TO EXPECT PAYMENT

Retirement payments will begin the last day of the month following the effective date of retirement.

NOTE: *Monthly payments will be electronically deposited to your financial institution.*

TMRS WILL NOT ACCEPT

- Illegible forms. All forms should be typed. Handwritten forms will be accepted only if legible and if completed in black ink.
- Alterations without initials.
- An incomplete form or any attempt to change its provisions.

PUBLIC SAFETY EMPLOYEE

Under the 2006 Pension Protection Act, the 10% early withdrawal tax is waived for distributions made to public safety employees who separate from service during or after attaining age 50. A "qualified public safety employee" is defined as any employee of a state (or political subdivision) whose principal duties include services requiring specialized training in the area of police protection, fire-fighting services, or emergency medical services for any area within the jurisdiction of the state (or political subdivision). TMRS will require city certification from the city of last employment to qualify for this waiver. A certification form will be provided directly to the city once TMRS is notified that an employee may qualify.

INFORMATION ABOUT HEALTH CARE ENHANCEMENT FOR LOCAL PUBLIC SAFETY (HELPS)

The Pension Protection Act of 2006 allows retired or permanently disabled public safety officers (defined below) to elect an amount to be deducted from their TMRS benefit payment to pay for health or long-term care premiums in order to reduce their taxable income. The health insurance or long-term care insurance can include the member, spouse,and dependents. Any amount may be deducted that does not exceed the net monthly annuity. However, the amount that may be excluded from taxable income cannot exceed $3,000 per year. Qualified employees who wish to participate in this deduction program should contact TMRS for an application.

A public safety officer has the same meaning as under Section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968, which includes:

- An individual involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws (including juvenile delinquency), including, but not limited to police, corrections, probation, parole, and judicial officers
- Professional firefighters
- Officially recognized or designated:
  - Public employee members of a rescue squad or ambulance crew
  - Chaplains or fire departments and police departments

Selection of Retirement Plan

MEMBER INFORMATION • *Please type or use only black ink and do not highlight. Any corrections must be initialed.*

TEXAS MUNICIPAL RETIREMENT SYSTEM

Member's Name (first, middle, last) ____ Social Security Number ____

Mailing Address ____ Daytime Phone Number ____

City ____ State ____ Zip ____ City Number 01010

MARITAL STATUS *(must check one):* ☐ Married ☐ Not married
(If married, see Spousal Consent section below)

TMRS Identification Number (not required) ____

BENEFICIARY DESIGNATION (LIMIT 3) *Please read instructions carefully. If desired, alternate beneficiary designations may be completed on page 2.*

Beneficiary's Full Name (first, middle, last) ____ Social Security Number ____

Sex: ☐ Male ☐ Female Relationship (required) ____ Date of Birth (MM/DD/YYYY) ____

Beneficiary's Full Name (first, middle, last) ____ Social Security Number ____

Sex: ☐ Male ☐ Female Relationship (required) ____ Date of Birth (MM/DD/YYYY) ____

Beneficiary's Full Name (first, middle, last) ____ Social Security Number ____

Sex: ☐ Male ☐ Female Relationship (required) ____ Date of Birth (MM/DD/YYYY) ____

CUSTODIAN UNDER THE TEXAS UNIFORM TRANSFERS TO MINORS ACT
You may designate a custodian if any beneficiary is under 21 years of age.

Custodian's Name (first, middle, last) ____ Custodian's Relationship to Beneficiary ____

RETIREMENT OPTIONS *Please read instructions before completing, and* ***check only one box.***

Retiree Life Only Benefit *(up to 3 beneficiaries)*
☐

Retiree Life – Survivor Benefits *(only 1 beneficiary)*
☐ 100% ☐ 75% ☐ 50%

Retiree Life – Guaranteed Term Benefits *(up to 3 beneficiaries)*
☐ 5 yr ☐ 10 yr ☐ 15 yr

MEMBER SIGNATURE REQUIRED

This beneficiary designation revokes all previous beneficiary designations and will control for all purposes, even if retirement does not become effective. I request that, should I die, my retirement benefits and any Supplemental Death Benefits that may be due be paid as I have designated on this form. I understand that if my designated beneficiary(ies) or I should die before recovering the amount of accumulated deposits and interest in my individual account at the time of retirement, the remaining balance will be paid to my estate or beneficiary. I further understand that if I elect to receive a partial lump sum distribution at retirement, my remaining balance will be reduced by the same dollar amount. By signing this form, I certify that I have read the attached instructions and that my marital status is as indicated above.

Member's Signature ____ Date Signed (MM/DD/YYYY) ____

SPOUSAL CONSENT (NOTARIZATION REQUIRED)

Your spouse must complete this section if your spouse is not your only primary beneficiary or you have named someone other than your spouse as beneficiary, or if you have named your spouse and have not selected one of the Retiree Life-Survivor Benefits (100%, 75%, or 50%) options above. I understand that I may require my spouse to name me as beneficiary under a Survivor Life benefit. Nevertheless, I hereby consent to the beneficiary(ies) designated and the retirement option selected.

Spouse's Signature ____ Date Signed (MM/DD/YYYY) ____

The State of Texas County of ____

This instrument was acknowledged before me on the ____ day of ____, 20____, by ____.
(Name of Spouse)

(SEAL)

Notary Public, State of Texas ____

Please read the instructions provided with this form.

DESIGNATING BENEFICIARIES

- Your beneficiary designation is effective immediately and revokes all previous beneficiary designations even if your retirement does not become effective. The number of beneficiaries you can designate will depend on the retirement option you select.
- Retiree Life - Survivor Benefits: ONLY 1 beneficiary may be designated and you cannot change your beneficiary after your effective retirement date (unless your beneficiary dies before you and you remarry— please call TMRS directly for more information).
- Retiree Life Only and Retiree Life - Guaranteed Term Benefits: 1 – 3 beneficiaries or an Estate may be designated and you can change your beneficiary designation at any time.
- You may designate up to three primary beneficiaries and up to three alternate beneficiaries if you have selected either the Retiree Life Only Benefit or one of the Retiree Life - Guaranteed Term Benefits. Unless otherwise directed in writing on this form, your benefits will be paid equally to the surviving primary beneficiaries, or equally to the surviving alternate beneficiaries if there are no surviving primary beneficiaries. Contact TMRS for instructions on how to provide for unequal distributions.
- If you want to designate alternate beneficiaries, you must complete pages 1 and 2 of this form and submit both pages to our system. Your benefits will be paid to your alternate beneficiary only if your designation with respect to each primary beneficiary is revoked by death or if your relationship to each primary beneficiary terminates.

SUPPLEMENTAL DEATH BENEFITS (SDB)

- If your employer provides Supplemental Death Benefits (SDB) for retirees, at the time of your death, TMRS will pay a one-time lump sum payment of $7,500. The SDB payment will be paid to the beneficiary(ies) designated on this form, even if you have previously designated a different SDB beneficiary.
- If you wish to designate a beneficiary other than the person(s) listed on this form to receive the SDB payment, you will need to complete the Supplemental Death Benefit Beneficiary Designation form.

ESTATE, TRUST, & CHARITY DESIGNATIONS

- If you wish to designate your Estate as beneficiary, please write only the word "ESTATE" in the space provided for the name of the beneficiary.
- If you wish to designate a Charity as beneficiary, please write the name of the charity (i.e., American Heart Association) in the space provided for the name of the beneficiary.
- If you wish to designate a Trust, please write "Trustee of the (enter name of trust here)" in the space provided for the name of the beneficiary. Please ensure that you have a legal trust agreement in place prior to designating a "Trust" on this form.
  - TMRS will accept the designation of a Trust. However, we cannot assure that if and when a benefit becomes payable from this System, the designation will be legally valid. In other words, if the trustee does not accept or has died, or if the Trust has been revoked, or if for any other reason the designation is not legally sufficient at the time of the member's death, the benefit due from the System will be paid in accordance with the provisions of the TMRS Act as if no trust/trustee had been designated.
  - A Trust having more than one beneficiary may not receive benefits to which multiple designated beneficiaries are not eligible. A Trust that may be revoked is not a "designated beneficiary" under the Internal Revenue Code, and may not receive retirement system benefit payments for a period longer than five (5) years.

DESIGNATING MINOR CHILDREN (CUSTODIAN UNDER TUTMA)

Chapter 141 of the Texas Property Code is the Texas Uniform Transfers to Minors Act (TUTMA), which allows you to nominate a "custodian" to receive TMRS benefits on behalf of your minor beneficiary. If you wish to designate a minor child, please do the following:

- Write the full name and all information pertaining to the minor child in the "Primary Beneficiary" or "Alternate Beneficiary" section of the form. Then complete the "Custodian Section" directly under the beneficiary section.

RULES

- Only adults at least 21 years of age, financial institutions, corporations, or other legal entities may serve as custodians.
- You cannot nominate two or more custodians to serve jointly. However, you may designate a substitute custodian to serve in the event the first designated custodian dies before the first payment is made, declines, or is ineligible to serve. Please contact TMRS for instructions on how to nominate a substitute custodian.
- You may designate the same custodian for up to three minors. If one custodian is named for all three minors, that custodian would receive separate benefit payments for each minor.
- When the minor beneficiary reaches age 21, the custodianship for that beneficiary as to TMRS benefits is automatically terminated and any benefits that become payable will be paid directly to that beneficiary.
- The designated custodian can select any benefit option that the minor could select if the minor were an adult.
- If an eligible custodian is designated to receive benefits, there is no limit on the amount that can be paid to the custodian.
- The minor's Social Security number is used for IRS reporting purposes.

Alternate Beneficiary Section (optional)

MEMBER INFORMATION *Please type or use only black ink and do not highlight. Any corrections must be initialed.*

Member's Name (first, middle, last) | Social Security Number

DESIGNATING AN ALTERNATE BENEFICIARY (LIMIT 3) *Please read instructions before completing. Unless otherwise specified, benefits will be divided equally among surviving alternate beneficiaries, only if the designation with respect to each primary beneficiary designated on page 1 of this form is revoked by death or if your relationship with each primary beneficiary has terminated.*

Beneficiary's Full Name (first, middle, last) | Social Security Number

Sex: ☐ Male ☐ Female | Relationship (required) | Date of Birth (MM/DD/YYYY)

Beneficiary's Full Name (first, middle, last) | Social Security Number

Sex: ☐ Male ☐ Female | Relationship (required) | Date of Birth (MM/DD/YYYY)

Beneficiary's Full Name (first, middle, last) | Social Security Number

Sex: ☐ Male ☐ Female | Relationship (required) | Date of Birth (MM/DD/YYYY)

CUSTODIAN UNDER THE TEXAS UNIFORM TRANSFERS TO MINORS ACT
You may designate a custodian if any beneficiary is under 21 years of age. See attached instructions.

Custodian's Name (first, middle, last) | Custodian's Relationship to Beneficiary

MEMBER SIGNATURE REQUIRED
If you complete any part of page 2, your signature is required on both pages 1 and 2.

By signing this form, I certify that I have read the attached instructions. I understand that death benefits will only be paid to the alternate beneficiary(ies) listed above in the event I am not survived by any primary beneficiary(ies) designated on page 1 of this form or my relationship with each primary beneficiary has terminated.

Member's Signature | Date Signed (MM/DD/YYYY)

SPECIAL INSTRUCTION: Completion of this section is optional. If completed, page 2 must accompany page 1 when submitted to our system.

EXPLAINING YOUR RETIREMENT OPTIONS

RETIREE LIFE ONLY BENEFIT

A retirement benefit payable monthly as long as you live. However, upon your death all payments will cease even though you may have received only one monthly payment.*

RETIREE LIFE – SURVIVOR BENEFITS

100% A retirement benefit payable monthly as long as you live. At your death, your beneficiary will receive 100% (the full amount) of the monthly benefit for as long as he or she lives. If your beneficiary dies before you, the monthly payments you receive after that will be increased to the amount that would have been payable as a Retiree Life Only Benefit. *

75% A retirement benefit payable monthly as long as you live. At your death, your beneficiary will receive 75% (three-fourths) of the monthly annuity for as long as he or she lives. If your beneficiary dies before you, the monthly payments you receive after that will be increased to the amount that would have been payable as a Retiree Life Only Benefit. *

50% A retirement benefit payable monthly as long as you live. At your death, your beneficiary will receive 50% (one-half) of the monthly annuity for as long as he or she lives. If your beneficiary dies before you, the monthly payments you receive after that will be increased to the amount that would have been payable as a Retiree Life Only Benefit. *

RETIREE LIFE – GUARANTEED TERM BENEFITS

5 yr A retirement benefit payable monthly as long as you live. However, should you die before the expiration of a 5-year period after the date of retirement, your designated beneficiary will receive the same benefit for the balance of the 5-year period, and then all payments cease.*

10 yr A retirement benefit payable monthly as long as you live. However, should you die before the expiration of a 10-year period after the date of retirement, your designated beneficiary will receive the same monthly benefit for the balance of the 10-year period, then all payments cease.*

15 yr A retirement benefit payable monthly as long as you live. However, should you die before the expiration of a 15-year period after the date of retirement, your designated beneficiary will receive the same monthly benefit for the balance of the 15-year period, then all payments cease.*

* **If you and your designated beneficiary, die prior to having recovered the amount of accumulated contributions and interest in your individual account at the time of retirement, the remaining balance will be paid to your estate or beneficiary. If you elect to receive a partial lump sum distribution on the effective date of your retirement, your remaining balance will be reduced by the same dollar amount.**

TMRS WILL NOT ACCEPT:

- Attachments (listing additional beneficiaries)
- Alterations without initials
- An incomplete form or any attempt to change its provisions
- An unacceptable designation

Selection of Partial Lump Sum Distribution

TMRS®
Texas Municipal Retirement System

MEMBER INFORMATION

Please type or use only black ink and do not highlight. Any corrections must be initialed.

TMRS Identification Number (not required)

Member's Name (first, middle, last)

Social Security Number

Mailing Address

Daytime Phone Number

City

State

Zip

PARTIAL LUMP SUM DISTRIBUTION (PLSD) SELECTION

The Partial Lump Sum Distribution I elect is the amount of the Retiree Life Only* benefit multiplied by (Please check only **one** box):

☐ **12** ☐ **24** ☐ **36**

* *The Retiree Life Only benefit is used here only to calculate the amount of your Partial Lump Sum Distribution. You can select any of the seven retirement options for retirement purposes (see the Selection of Retirement Plan form).*

NOTE: *The amount of your Partial Lump Sum Distribution cannot be more than 75% of your account balance.*

I choose to have my PLSD distributed as follows:

☐ **Direct Payment to Member**
I want the entire Partial Lump Sum Distribution (less 20% withholding) paid directly to me.

NOTE: *The IRS may require you to pay a 10% tax penalty, in addition to regular federal income tax, on your Partial Lump Sum Distribution. You may wish to consult with a tax advisor or the IRS to determine your potential liability.*

☐ **Direct Rollover to IRA/Employer Plan**
I want all or part of my PLSD transferred to the plan named on the attached *Rollover of Refund or PLSD* (TMRS_ROLL) form.

MEMBER CERTIFICATION – I certify and understand that:

- I have received the printed explanation, *Special Tax Notice Regarding Plan Payments*, prior to signing this certification and waive the requirement of 30 days notice.
- Federal income tax law requires TMRS to withhold 20% income tax from the taxable portion of my PLSD subject to federal income taxation unless I elect to have the taxable portion transferred directly to an IRA or other employer plan that accepts rollovers.

X

Member's Signature

Date Signed (MM/DD/YYYY)

Please read the instructions provided with this form.

PURPOSE

The selection of *Partial Lump Sum Distribution* (TMRS-PLSD) form allows you to receive a one-time, partial lump sum payment in addition to your monthly retirement benefit. If you are taking a Partial Lump Sum Distribution, you must complete and return this form to TMRS along with your retirement application. Election of the Partial Lump Sum Distribution (PLSD) will reduce your monthly annuity payment.

INFORMATION ABOUT HOW THE PLSD IS CALCULATED

In the "Partial Lump Sum Election" section, you should check either 12, 24, or 36. The amount of the Partial Lump Sum Distribution is calculated by multiplying the amount of the Retiree Life Only option times 12, 24, or 36. This calculation is part of the estimate that should be provided to you prior to making this election.

WHEN TO EXPECT YOUR PARTIAL LUMP SUM DISTRIBUTION

Your Partial Lump Sum Distribution payment will be deposited electronically along with your first monthly payment to the financial institution and the account indicated on your TMRS *Direct Deposit Authorization* (TMRS-80E) form. Any portion of the payment that is rolled over will be sent directly to the financial institution that you indicate.

If you are rolling over any portion of your PLSD to an eligible plan, that portion of your PLSD will be mailed directly to the financial institution you named. Please review the rollover information included in the attached *Special Tax Notice Regarding Plan Payments* before you complete the *Selection of Partial Lump Sum Distribution* (TMRS-PLSD) form and *Rollover of Refund or PLSD* (TMRS-ROLL) form.

The portion of the payment that is not rolled over to an IRA or eligible employer plan will be mailed to your personal address listed on this form.

Rollover of Refund or PLSD

To be submitted in addition to any Application for a Lump Sum Payment

TMRS® Texas Municipal Retirement System

PAYEE INFORMATION

Please type or use only black ink and do not highlight. Any corrections must be initialed.

Payee Name (first, middle, last) ______________________ Social Security Number ______________________

Home Mailing Address ______________________ Daytime Phone Number ______________________

City ______________________ State ________ Zip ________

I have completed an application for payment and have selected a Direct Rollover to an IRA or Employer Plan for the lump sum distribution payment option. I wish to have the funds transferred to the plan named below and represent to TMRS that it is an eligible plan for the purpose of this transfer. In addition, I do understand that any portion of the lump sum payment that is not rolled over and is paid directly to me will be subject to federal income taxation. In addition, rollovers to Roth IRAs will result in income subject to federal income taxation. ***Note to TMRS members:*** *The IRS may require you to pay a 10% tax penalty, in addition to the regular federal income tax, on a lump sum distribution sent directly to you. You may wish to consult with a tax advisor or the IRS to determine your potential liability.*

ROLLOVER AMOUNT *(Choose only **one**)*:

If you want to rollover any part of the nontaxable portion of this distribution, please contact TMRS for further instructions.

☐ the taxable portion only **OR** ☐ $____________ (specific amount or %)

ACCOUNT DESCRIPTION

For TMRS Members, Retirees, Former Spouses and Surviving Spouses:

☐ Employer Plan

☐ Traditional IRA

☐ Roth IRA: TMRS will not withhold federal income taxes without further instructions. Please contact TMRS for assistance.

For Non-spouse Beneficiary Payees Only:

☐ Inherited IRA

ROLLOVER INFORMATION

Name of Rollover Institution ______________________

Address of Rollover Institution ______________________ City ______________ State ______ Zip ______

Account Number (if applicable) ______________________ Phone Number of Rollover Institution ______________________

X

TMRS Account Holder's Signature ______________________ Date Signed (MM/DD/YYYY) ______________________

TMRS WILL NOT ACCEPT

- Attachments (including rollover forms from other retirement plans)
- Alterations without initials
- An incomplete form or any attempt to change its provisions
- Requests for rollovers to SIMPLE IRAs, Coverdell Education Savings Accounts, or nongovernmental 457(b) plans
- Requests for rollovers to the following retirement systems: Texas County and District Retirement System, Employees Retirement System of Texas, Judicial Retirement System of Texas, Teacher Retirement System of Texas, or the City of Austin Employees Retirement Plan, unless the rollover has been approved by the respective system to purchase service credit

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS FROM THE TEXAS MUNICIPAL RETIREMENT SYSTEM

You are receiving this notice because all or a portion of a payment you are receiving from the Texas Municipal Retirement System (TMRS) is eligible to be rolled over to an IRA or an employer plan. This notice contains important information you will need before you decide how to receive your TMRS benefits.

Rules that apply to most payments from TMRS are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

If you have additional questions after reading this notice, contact the Texas Municipal Retirement System at (800) 924-8677, by mail at P.O. Box 149153, Austin, Texas 78714-9153, or through e-mail at phonecenter@tmrs.com.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from TMRS if you do not roll it over. If you are under age 59½ and do not roll your payment over, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies).

If you do a rollover to a traditional IRA or an eligible employer plan, you will not have to pay tax until you receive payments later from the IRA or plan, and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

If you do a rollover to a Roth IRA, you will be taxed on the amount rolled over (reduced by any after-tax amount). However, if you are under age 59 ½ at the time of the rollover, the 10% additional income tax will not apply. See the section below titled "If you roll over your payment to a Roth IRA" for more details.

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs, and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, TMRS will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, TMRS is required to withhold 20% of the payment for federal income taxes. This means that in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from TMRS is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70½ (or after death)
- Corrective distributions of contributions that exceed tax law limitations

TMRS can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from TMRS (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from TMRS:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments from a governmental defined benefit pension plan made after you separate from service if you are a public safety employee and you are at least age 50 in the year of the separation from a TMRS employer
- Payments made due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to $10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

You should contact the IRA administrator for questions regarding early distributions.

Will I owe State income taxes?

This notice does not describe any State or local income tax rules (including withholding rules). Texas does not currently have a state income tax.

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions
After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is generally included in the payment.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from TMRS and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of the payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a complete distribution of your benefit that totals $12,000, of which $2,000 is after-tax contributions. In this case, if you roll over $10,000 to an IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline
Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

If you were born on or before January 1, 1936
If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

If you roll over your payment to a Roth IRA
If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). For payments from TMRS during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a 2-year period starting in 2011.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, Individual Retirement Arrangements (IRAs).

You cannot roll over a payment from TMRS to a designated Roth account in an employer plan.

IF YOU ARE NOT A TMRS PARTICIPANT

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse
If you receive a payment from TMRS as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½. You should contact the IRA administrator for questions regarding early distributions.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

If you are a surviving beneficiary other than a spouse
If you receive a payment from TMRS because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from TMRS under a qualified domestic relations order (QDRO), you generally have the same options the participant would have had (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

OTHER SPECIAL RULES

If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance
If you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of $3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

If you are a nonresident alien
If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, TMRS is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide.

FOR MORE INFORMATION

You may wish to consult with TMRS, or a professional tax advisor, before taking a payment from TMRS. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.

Acceptable Proofs of Birth

Purpose:

Date of birth must be verified before payment of any monthly annuity can be made. Date of birth may be established by providing an **unaltered photocopy** of any one of the documents listed below.

- **Texas Drivers License or Texas Identification Card**
- **Official Certificate of Birth** issued by the state in which the birth occurred. Consult the County Clerk for necessary forms and instructions. No hospital issued certificates.
- **Delayed Certificate of Birth** issued by the state in which the birth occurred. Consult the County Clerk for necessary forms and instructions.
- **Bureau of Census Transcript** from Dallas, Texas, 214.640.4470, stating the age of the individual at the time a census was registered.
- **Baptismal or Parish Record** indicating the age of the individual at the time of baptism. Please complete a Baptismal or Parish Record Affidavit if this form of proof of birth is submitted (contact TMRS at 800.924.8677.
- **Family Bible Record** indicating the birth date of the individual. Please complete a Family Bible Record Affidavit if this form of proof of birth is submitted (contact TMRS at 800.924.8677).
- **Naturalization/Immigration Certificate** indicating the age of the individual.
- **Armed Forces Discharge Papers (DD214 or equivalent)**.
- **Signed letter from Social Security Administration** indicating the date of birth of the individual, which has been accepted by Social Security Administration.
- **Passport.**
- **School Record.**
- **Insurance Policy** (must be at least 10 years old).
- **Marriage License** indicating either date of birth or age at time of marriage of individual.
- **Child's Birth Certificate** indicating age of parent (individual whose date of birth is being certified).

Name Certification

If the name provided on the proof of birth is different from the name on TMRS records, a Name Certification (TMRS-30) must be completed by the member or beneficiary that certifies the two names are the same person.

Name Certification

MEMBER INFORMATION

Please type or use only black ink and do not highlight. Any corrections must be initialed.

TMRS Identification Number (not required)

Member's Name (first, middle, last)

Social Security Number

Mailing Address

Daytime Phone Number

City State Zip

Plano
City Name (required)

01010
City Number

PURPOSE

The purpose of this Name Certification is to certify that even though names may differ on plan records, the person is one and the same. Completion of this form is mandatory **only** if the name(s) on the proof of birth is different from the name(s) on TMRS records.

I, ______________________________, hereby certify and do solemnly swear that I am
(Affiant's name as indicated on TMRS record)

______________________________, and my true and correct date of birth is ______________.
(Affiant's name as indicated on proof of birth) (MM/DD/YYYY)

Affiant's Signature

Date Signed (MM/DD/YYYY)

NOTARIZATION REQUIRED

The State of Texas County of ______________________

Before me on this day personally appeared ______________________________, known

to me to be the person who signed the above Name Certification and declared to me upon oath that the

statement therein contained are true and correct. Given under my hand and seal of office this ________day

of ______________________________, 20______.

(SEAL)

Notary Public, State of Texas

NOTICE TO PERSONS SIGNING THIS AFFIDAVIT

Section 851.101 of the Texas Government Code provides for punishment by fine and/or imprisonment of (i) a person who knowingly makes a false statement in a report or application to the retirement system in an attempt to defraud the system or (ii) a person who knowingly makes a false certificate of an official report to the retirement system.

Direct Deposit Authorization

***NOTE**: Please complete the Certification of Trust and Authorization form located on our website for direct deposit of payments to a Trust Account.*

PAYEE'S PERSONAL DATA

Please type or use only black ink and do not highlight. Mail or fax completed form to TMRS.

Name (first, middle, last) ______ Social Security Number ______

Mailing Address ______ Date of Birth (MM/DD/YYYY) ______

City ______ State ______ Zip ______ Daytime Phone Number ______

E-mail Address ______ TMRS Identification Number (not required) ______

FINANCIAL INSTITUTION DATA

Financial Institution Name ______ Financial Institution Phone Number ______

To ensure accuracy, please tape a voided check here *(no deposit slips)*.

Important Information About Direct Deposit

- **Account Changes**
  If you change your account or account number, you must file another direct deposit authorization.
- **Fund Availability**
  Generally, your money will be deposited to your account and available by the last business day of the month.

Routing Number (first nine digits) ______ **Payee Account Number** ______ **Individual's Name(s) on Financial Account*** ______

* *Note: If you are not an account holder on this account, we cannot process your request for direct deposit.*

Please check one.
Type of Account: ☐ **Checking** ☐ **Savings**

PAYEE'S AUTHORIZATION

I authorize the Texas Municipal Retirement System (TMRS) to deposit my TMRS retirement benefit electronically to the financial institution and the account indicated above. I authorize TMRS and the Financial Institution to correct any credit entries made in error. I hereby authorize the financial institution named above to disclose to TMRS at any time my address and contact information, and to disclose the names and address of all joint owners, signatories, beneficiaries or other persons associated with the above referenced account if I pass away. A photocopy of this signed form shall be sufficient authorization for such disclosure. Making false or misleading statements on any form submitted to TMRS is a violation of State law and has criminal and potential civil liability.

Payee's Signature ______ Date (MM/DD/YYYY) ______

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

OMB No. 1545-0074

2017

Purpose. Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions or for payments to U.S. citizens to be delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on pages 3 and 4. Your previously filed Form W-4P will remain in effect if you don't file a Form W-4P for 2017.

What do I need to do? Complete lines **A** through **G** of the **Personal Allowances Worksheet.** Use the additional worksheets on page 2 to further adjust your withholding allowances for itemized deductions, adjustments to income, any additional standard deduction, certain credits, or multiple pensions/more-than-one-income situations. If you don't want any federal income tax withheld (see *Purpose*, earlier), you can skip the worksheets and go directly to the Form W-4P below.

Sign this form. Form W-4P **is not** valid unless you sign it.

Future developments. For the latest information about Form W-4P, such as legislation enacted after we release it, go to *www.irs.gov/w4p*.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for **yourself** if no one else can claim you as a dependent . . . . **A** ______

B Enter "1" if:
- You're single and have only one pension; or
- You're married, have only one pension, and your spouse has no income subject to withholding; or
- Your income from a second pension or a job or your spouse's pension or wages (or the total of all) is $1,500 or less.

. . . . **B** ______

C Enter "1" for your **spouse.** But, you may choose to enter "-0-" if you're married and have either a spouse who has income subject to withholding or more than one source of income subject to withholding. (Entering "-0-" may help you avoid having too little tax withheld.) . . . . **C** ______

D Enter the number of **dependents** (other than your spouse or yourself) you will claim on your tax return . . . . **D** ______

E Enter "1" if you will file as **head of household** on your tax return . . . . **E** ______

F **Child Tax Credit** (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information.
- If your total income will be less than $70,000 ($100,000 if married), enter "2" for each eligible child; then **less** "1" if you have two to four eligible children or **less** "2" if you have five or more eligible children.
- If your total income will be between $70,000 and $84,000 ($100,000 and $119,000 if married), enter "1" for each eligible child . . . . **F** ______

G Add lines A through F and enter total here. (**Note:** This may be different from the number of exemptions you claim on your tax return.) ▶ **G** ______

For accuracy, **complete all worksheets that apply.**
- If you plan to **itemize** or **claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you're **single and have more than one source of income subject to withholding** or are **married and you and your spouse both have income subject to withholding** and your combined income from all sources exceeds $50,000 ($20,000 if married), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line G on line 2 of Form W-4P below.

Separate here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records.

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

▶ **For Privacy Act and Paperwork Reduction Act Notice, see page 4.**

OMB No. 1545-0074

2017

Your first name and middle initial	Last name	**Your social security number**
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

Complete the following applicable lines.

1 Check here if you **do not want any** federal income tax withheld from your pension or annuity. (Do not complete line 2 or 3.) ▶ ☐

2 Total number of allowances and marital status you are claiming for withholding from each **periodic** pension or annuity payment. (You also may designate an additional dollar amount on line 3.) . . . . ▶ ______ (Enter number of allowances.)

Marital status: ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate.

3 Additional amount, if any, you want withheld from each pension or annuity payment. (**Note:** For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.) . . . . . ▶ $

Your signature ▶ **Date** ▶

Deductions and Adjustments Worksheet

Note: Use this worksheet *only* if you plan to itemize deductions or claim certain credits or adjustments to income.

1 Enter an estimate of your 2017 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 10% of your income, and miscellaneous deductions. For 2017, you may have to reduce your itemized deductions if your income is over $313,800 and you're married filing jointly or you're a qualifying widow(er); $287,650 if you're head of household; $261,500 if you're single, not head of household and not a qualifying widow(er); or $156,900 if you're married filing separately. See Pub. 505 for details . . . . **1** $

2 Enter: { $12,700 if married filing jointly or qualifying widow(er); $9,350 if head of household; $6,350 if single or married filing separately } . . . . **2** $

3 **Subtract** line 2 from line 1. If zero or less, enter "-0-" . . . . **3** $

4 Enter an estimate of your 2017 adjustments to income and any additional standard deduction (see Pub. 505) . . . . **4** $

5 **Add** lines 3 and 4 and enter the total. (Include any credit amounts from the *Converting Credits to Withholding Allowances for 2017 Form W-4* worksheet in Pub. 505.) . . . . **5** $

6 Enter an estimate of your 2017 income not subject to withholding (such as dividends or interest) . . **6** $

7 **Subtract** line 6 from line 5. If zero or less, enter "-0-" . . . . **7** $

8 **Divide** the amount on line 7 by $4,050 and enter the result here. Drop any fraction **8**

9 Enter the number from the **Personal Allowances Worksheet,** line G, page 1 . . . . **9**

10 **Add** lines 8 and 9 and enter the total here. If you use the **Multiple Pensions/More-Than-One-Income Worksheet,** also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4P, line 2, page 1 . . . . **10**

Multiple Pensions/More-Than-One-Income Worksheet

Note: Complete *only* if the instructions under line G, page 1, direct you here. This applies if you (and your spouse if married filing jointly) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

1 Enter the number from line G, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) **1**

2 Find the number in **Table 1** below that applies to the **LOWEST** paying pension or job and enter it here. **However,** if you're married filing jointly and the amount from the highest paying pension or job is $65,000 or less, do not enter more than "3" **2**

3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4P, line 2, page 1. **Do not** use the rest of this worksheet **3**

Note: If line 1 is **less than** line 2, enter "-0-" on Form W-4P, line 2, page 1. Complete lines 4 through 9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.

4 Enter the number from line 2 of this worksheet **4**

5 Enter the number from line 1 of this worksheet **5**

6 **Subtract** line 5 from line 4 . . . . **6**

7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying pension or job and enter it here **7** $

8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed . . **8** $

9 **Divide** line 8 by the number of pay periods remaining in 2017. For example, divide by 12 if you're paid every month and you complete this form in December 2016. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment . . . . **9** $

Table 1

Married Filing Jointly		All Others	
If wages from **LOWEST** paying job or pension are—	Enter on line 2 above	If wages from **LOWEST** paying job or pension are—	Enter on line 2 above
$0 - $7,000	0	$0 - $8,000	0
7,001 - 14,000	1	8,001 - 16,000	1
14,001 - 22,000	2	16,001 - 26,000	2
22,001 - 27,000	3	26,001 - 34,000	3
27,001 - 35,000	4	34,001 - 44,000	4
35,001 - 44,000	5	44,001 - 70,000	5
44,001 - 55,000	6	70,001 - 85,000	6
55,001 - 65,000	7	85,001 - 110,000	7
65,001 - 75,000	8	110,001 - 125,000	8
75,001 - 80,000	9	125,001 - 140,000	9
80,001 - 95,000	10	140,001 and over	10
95,001 - 115,000	11		
115,001 - 130,000	12		
130,001 - 140,000	13		
140,001 - 150,000	14		
150,001 and over	15		

Table 2

Married Filing Jointly		All Others	
If wages from **HIGHEST** paying job or pension are—	Enter on line 7 above	If wages from **HIGHEST** paying job or pension are—	Enter on line 7 above
$0 - $75,000	$610	$0 - $38,000	$610
75,001 - 135,000	1,010	38,001 - 85,000	1,010
135,001 - 205,000	1,130	85,001 - 185,000	1,130
205,001 - 360,000	1,340	185,001 - 400,000	1,340
360,001 - 405,000	1,420	400,001 and over	1,600
405,001 and over	1,600		

Additional Instructions

Section references are to the Internal Revenue Code.

When should I complete the form? Complete Form W-4P and give it to the payer as soon as possible. Get Pub. 505, Tax Withholding and Estimated Tax, to see how the dollar amount you're having withheld compares to your projected total federal income tax for 2017. You also may use the IRS Withholding Calculator at *www.irs.gov/individuals* for help in determining how many withholding allowances to claim on your Form W-4P.

Multiple pensions/more-than-one-income. To figure the number of allowances that you may claim, combine allowances and income subject to withholding from all sources on one worksheet. You may file a Form W-4P with each pension payer, but don't claim the same allowances more than once. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4P for the highest source of income subject to withholding and zero allowances are claimed on the others.

Other income. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Get Form 1040-ES and Pub. 505 at *www.irs.gov/formspubs*.

If you have income from wages, see Pub. 505 to find out if you should adjust your withholding on Form W-4 or Form W-4P.

Note: Social security and railroad retirement payments may be includible in income. See Form W-4V, Voluntary Withholding Request, for information on voluntary withholding from these payments.

Withholding From Pensions and Annuities

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depend on (a) the kind of payment you receive; (b) whether the payments are to be delivered outside the United States or its possessions; and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. See page 4 for special withholding rules that apply to payments to be delivered outside the United States and payments to foreign persons.

Because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

Choosing not to have income tax withheld. You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments by using line 1 of Form W-4P. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. Enter the estate's employer identification number (EIN) in the area reserved for "Your social security number" on Form W-4P.

You may not make this choice for eligible rollover distributions. See *Eligible rollover distribution—20% withholding* on page 4.

Caution: There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.

Periodic payments. Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want federal income tax to be withheld, you must designate the number of withholding allowances on line 2 of Form W-4P and indicate your marital status by checking the appropriate box. Under current law, you can't designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3.

If you don't want any federal income tax withheld from your periodic payments, check the box on line 1 of Form W-4P and submit the form to your payer. However, see *Payments to Foreign Persons and Payments To Be Delivered Outside the United States* on page 4.

Caution: If you don't submit Form W-4P to your payer, the payer must withhold on periodic payments as if you're married claiming three withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least $1,720 a month.

If you submit a Form W-4P that doesn't contain your correct social security number (SSN), the payer must withhold as if you're single claiming zero withholding allowances even if you checked the box on line 1 to have no federal income tax withheld.

There are some kinds of periodic payments for which you can't use Form W-4P because they're already defined as wages subject to federal income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and deferred compensation plans described in section 457 of tax-exempt organizations. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have federal income tax withheld (if permitted) or to change your choice.

Nonperiodic payments—10% withholding. Your payer must withhold at a flat 10% rate from nonperiodic payments (but see *Eligible rollover distribution—20% withholding* on page 4) **unless** you choose not to have federal income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have federal income tax withheld from a nonperiodic payment (if permitted) by submitting Form W-4P (containing your correct SSN) to your payer and checking the box on line 1. However, see *Payments to Foreign Persons and Payments To Be Delivered Outside the United States* on page 4. Generally, your choice not to have federal income tax withheld will apply to any later payment from the same plan. You can't use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount that you want withheld.

Caution: If you submit a Form W-4P that doesn't contain your correct SSN, the payer can't honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.

Eligible rollover distribution—20% withholding. Distributions you receive from qualified pension or annuity plans (for example, 401(k) pension plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over tax free to an IRA or qualified plan are subject to a flat 20% federal withholding rate. The 20% withholding rate is required, and you can't choose not to have income tax withheld from eligible rollover distributions. Don't give Form W-4P to your payer unless you want an additional amount withheld. Then, complete line 3 of Form W-4P and submit the form to your payer.

Note: The payer won't withhold federal income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA or another eligible retirement plan (if allowed by the plan), such as a qualified pension plan, governmental section 457(b) plan, section 403(b) contract, or tax-sheltered annuity.

Distributions that are (a) required by law, (b) one of a specified series of equal payments, or (c) qualifying "hardship" distributions are **not** "eligible rollover distributions" and aren't subject to the mandatory 20% federal income tax withholding. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* on page 3.

Tax relief for victims of terrorist attacks. For tax years ending after September 10, 2001, disability payments for injuries incurred as a direct result of a terrorist attack directed against the United States (or its allies), whether outside or within the United States, aren't included in income. You may check the box on line 1 of Form W-4P and submit the form to your payer to have no federal income tax withheld from these disability payments. However, you must include in your income any amounts that you received or you would've received in retirement had you not become disabled as a result of a terrorist attack. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Changing Your "No Withholding" Choice

Periodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want federal income tax withheld at the rate set by law (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

Nonperiodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

Payments to Foreign Persons and Payments To Be Delivered Outside the United States

Unless you're a nonresident alien, withholding (in the manner described above) is required on any periodic or nonperiodic payments that are to be delivered to you outside the United States or its possessions. You can't choose not to have federal income tax withheld on line 1 of Form W-4P. See Pub. 505 for details.

In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax under section 1441 on the taxable portion of a periodic or nonperiodic pension or annuity payment that is from U.S. sources. However, most tax treaties provide that private pensions and annuities are exempt from withholding and tax. Also, payments from certain pension plans are exempt from withholding even if no tax treaty applies. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for details. A foreign person should submit Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, to the payer before receiving any payments. The Form W-8BEN must contain the foreign person's taxpayer identification number (TIN).

Statement of Federal Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you on Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., showing the total amount of your pension or annuity payments and the total federal income tax withheld during the year. If you're a foreign person who has provided your payer with Form W-8BEN, your payer instead will furnish a statement to you on Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, by March 15 of next year.

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status, (b) request additional federal income tax withholding from your pension or annuity, (c) choose not to have federal income tax withheld, when permitted, or (d) change or revoke a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

ICMA RC

Building Retirement Security

Know Your Retirement Plan Options

When you leave an employer, what do you do with your retirement account? You typically have four options – take the time to make the decision right for you.

Stop. Explore. Consider...

Former Employer's Retirement Plan	+ Pros:	– Cons:	? Other Considerations:
Leave as is	Least effort – no paperwork	Cannot add to the account	Quality of service? Investment options? Fees? Tax rules – remember: only 457 plans have no 10% early withdrawal penalty tax**
Move to current employer plan	Fewer accounts to manage and can add to account*	Withdrawal options may be restricted	
Move to IRA	More investment options and can add to account*	No loan or stable value fund option	
Taxable withdrawal	Available for current expenses	Owe taxes sooner, lose potential tax-advantaged growth	Can you just withdraw what you truly need and preserve the rest?

*Assuming eligibility, based on Plan and/or IRS rules
**No penalty tax applies to 457 plan contributions and associated earnings

Talk to your ICMA-RC representative about how we can help you.

Mike Mendenhall at 800-290-7160
mmendenhall@icmarc.org OR
Tiffani Keeling at 866-339-8791
tkeeling@icmarc.org

We've helped public sector employees build retirement security throughout their working *and* retirement years since 1972 – **it's our sole mission!**

- Tax-advantaged retirement accounts
- **Free financial plan**
- Wide range of investment options
- Flexible withdrawal options

AC: 19024-1013-6884

KEEP YOUR BENEFITS GOING

When you leave your employer, your retirement savings don't have to leave, too.

Maintain your accounts and preserve these benefits…

1 **Tax Advantages** – continue to delay taxes until you take withdrawals. Your 457 plan has no early withdrawal penalty tax even if you're under age 59½* – you lose this automatic exemption if you move to another type of retirement account.

2 **Easy, Flexible Payout Options** – request withdrawals any time, choosing different payment options based on your needs.

3 **Advice and Clarity** – you'll know what to do with your investments and payouts for a cost much lower than what you'll typically face outside your retirement plan. Learn more – www.icmarc.org/guidedpathways.

4 **One-on-One Support** from your Retirement Plans Specialist *and* CERTIFIED FINANCIAL PLANNER™– salaried professionals who help point you in the right direction.

* *Applies to all 457 plan contributions and associated earnings.*

Have other retirement assets?

See if you should simplify by consolidating – www.icmarc.org/simplify.

Want more investment options?

ICMA-RC has IRAs, too – www.icmarc.org/ira.

ICMA-RC, your retirement plan provider, is truly unique. We are a non-profit organization created by the public sector for the public sector, serving local and state governments only. And we've done so since 1972.

Contact your ICMA-RC representatives to learn more:

Mike Mendenhall at 800-290-7160, ext 2 OR
Tiffani Keeling at 866-339-8791, ext 2

ICMA RETIREMENT CORPORATION | 777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
TEL: 202-962-4600 | FAX: 202-962-4601 | TOLL FREE: 800-669-7400 | WWW.ICMARC.ORG

ICMA-RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

AC: 28282-0416-8296

RSP ELECTION FORM

Name: ______________________________ Employee ID#: ______________

Retirement Date: ________________________

MAILING ADDRESS:

Street: ____

City: ________________________ State: ______________ Zip: __________

RSP INFORMATION:

Start Date: __________________

RSP TYPE OF BENEFIT*

- ☐ Life Only: $ __________________
- ☐ Joint & Survivor 100%: $ __________________
- ☐ Joint & Survivor 50%: $ __________________
- ☐ 5 Year Certain & Life: $ __________________
- ☐ 10 Year Certain & Life: $ __________________
- ☐ Total & Permanent Disability: $ __________________
- ☐ Deferred Vested

Signature: ______________________________ Date: ______________

Estimate must be run by the Human Resources Department prior to completion of form

Revised 1-2017

Employee Name (please print)

Employee ID #

RETIREMENT SECURITY PLAN (RSP)
BENEFICIARY DESIGNATION

Note: For Joint & Survivor and Certain & Life Options Only

☐ I elect a single beneficiary as listed below:

Name　　Relationship

Street Address　　City, State, Zip

☐ I elect multiple beneficiaries as listed below:

Name　　Relationship

Street Address　　City, State, Zip

Name　　Relationship

Street Address　　City, State, Zip

Name　　Relationship

Street Address　　City, State, Zip

__**MUST COMPLETE SPOUSAL CONSENT FORM IF SPOUSE IS NOT CHOSEN AS PRIMARY BENEFICIARY__

Employee Signature　　Date

Spousal Consent (Notarization Required)

Your spouse must complete this section if your spouse is not your only primary beneficiary or you have named someone other than your spouse as beneficiary, or if you have named your spouse and have not selected one of the Retiree Life-Survivor Benefits (100%, 75%, or 50%) options. I understand that I may require my spouse to name me as beneficiary under a Survivor Life benefit. Nevertheless, I hereby consent to the beneficiary(ies) designated and the retirement option selected.

______________________________ ______________

Spouse's Signature Date

The State of Texas County of ______________

This instrument was acknowledged before me on the ______ day of ____________ , 20 ___, by ____________

____
Notary Public, State of Texas

Authorization Agreement for Automatic Deposits (ACH) Credits

I hereby authorize Frost Bank, to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any entries in error to my ☐ **Checking** ☐ **Savings** account (select one) indicated below and the Bank named below to credit and/or debit the same account. This completed document may be faxed directly to Frost Bank at 1-210-220-5937 or sent to the City of Plano to be forwarded to Frost Bank.

To Be Completed by Retirement Plan Participant

Name of Company for which retirement is received: **City of Plano Retirement Security Plan**

Participant Name: ____________________________ Employee ID#:________________

Social Security Number: XXX-XX- __________ (last 4 digits only)

Address:____

City:______________________ State:________________ Zip Code:______________________

Bank Name: __________________________ Telephone #:_____________________________

Transit/ABA #:________________________ Account #:_______________________________

This authorization is to remain in full force and effect until Frost Bank has received written notification from me of its termination in such time and in such manner as to afford Frost Bank a reasonable opportunity to act on it.

Participant Signature: ____ Date:_______________

You may also attach a voided check below.

RSP

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

OMB No. 1545-0074

2017

Purpose. Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions or for payments to U.S. citizens to be delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on pages 3 and 4. Your previously filed Form W-4P will remain in effect if you don't file a Form W-4P for 2017.

What do I need to do? Complete lines **A** through **G** of the **Personal Allowances Worksheet.** Use the additional worksheets on page 2 to further adjust your withholding allowances for itemized deductions, adjustments to income, any additional standard deduction, certain credits, or multiple pensions/more-than-one-income situations. If you don't want any federal income tax withheld (see *Purpose*, earlier), you can skip the worksheets and go directly to the Form W-4P below.

Sign this form. Form W-4P **is not** valid unless you sign it.

Future developments. For the latest information about Form W-4P, such as legislation enacted after we release it, go to *www.irs.gov/w4p*.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for **yourself** if no one else can claim you as a dependent . . . . . **A** ____

B Enter "1" if:
- You're single and have only one pension; or
- You're married, have only one pension, and your spouse has no income subject to withholding; or
- Your income from a second pension or a job or your spouse's pension or wages (or the total of all) is $1,500 or less.

. . . . . **B** ____

C Enter "1" for your **spouse.** But, you may choose to enter "-0-" if you're married and have either a spouse who has income subject to withholding or more than one source of income subject to withholding. (Entering "-0-" may help you avoid having too little tax withheld.) . . . . . **C** ____

D Enter the number of **dependents** (other than your spouse or yourself) you will claim on your tax return . . . . **D** ____

E Enter "1" if you will file as **head of household** on your tax return . . . . . **E** ____

F **Child Tax Credit** (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information.

- If your total income will be less than $70,000 ($100,000 if married), enter "2" for each eligible child; then **less** "1" if you have two to four eligible children or **less** "2" if you have five or more eligible children.
- If your total income will be between $70,000 and $84,000 ($100,000 and $119,000 if married), enter "1" for each eligible child . . . . . **F** ____

G Add lines A through F and enter total here. (**Note:** This may be different from the number of exemptions you claim on your tax return.) ▶ **G** ____

For accuracy, **complete all worksheets that apply.**
- If you plan to **itemize** or **claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you're **single and have more than one source of income subject to withholding** or are **married and you and your spouse both have income subject to withholding** and your combined income from all sources exceeds $50,000 ($20,000 if married), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line G on line 2 of Form W-4P below.

Separate here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records.

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Pension or Annuity Payments

▶ **For Privacy Act and Paperwork Reduction Act Notice, see page 4.**

OMB No. 1545-0074

2017

Your first name and middle initial	Last name	**Your social security number**
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

Complete the following applicable lines.

1 Check here if you **do not want any** federal income tax withheld from your pension or annuity. (Do not complete line 2 or 3.) ▶ ☐

2 Total number of allowances and marital status you are claiming for withholding from each **periodic** pension or annuity payment. (You also may designate an additional dollar amount on line 3.) . . . . . ▶ ____ (Enter number of allowances.)

Marital status: ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate.

3 Additional amount, if any, you want withheld from each pension or annuity payment. (**Note:** For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.) . . . . ▶ $

Your signature ▶ **Date** ▶

Deductions and Adjustments Worksheet

Note: Use this worksheet *only* if you plan to itemize deductions or claim certain credits or adjustments to income.

1 Enter an estimate of your 2017 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 10% of your income, and miscellaneous deductions. For 2017, you may have to reduce your itemized deductions if your income is over $313,800 and you're married filing jointly or you're a qualifying widow(er); $287,650 if you're head of household; $261,500 if you're single, not head of household and not a qualifying widow(er); or $156,900 if you're married filing separately. See Pub. 505 for details . . . . . **1** $

2 Enter: { $12,700 if married filing jointly or qualifying widow(er); $9,350 if head of household; $6,350 if single or married filing separately } . . . . . **2** $

3 **Subtract** line 2 from line 1. If zero or less, enter "-0-" . . . . . **3** $

4 Enter an estimate of your 2017 adjustments to income and any additional standard deduction (see Pub. 505) . . . . . **4** $

5 **Add** lines 3 and 4 and enter the total. (Include any credit amounts from the *Converting Credits to Withholding Allowances for 2017 Form W-4* worksheet in Pub. 505.) . . . . . **5** $

6 Enter an estimate of your 2017 income not subject to withholding (such as dividends or interest) . . **6** $

7 **Subtract** line 6 from line 5. If zero or less, enter "-0-" . . . . . **7** $

8 **Divide** the amount on line 7 by $4,050 and enter the result here. Drop any fraction **8**

9 Enter the number from the **Personal Allowances Worksheet,** line G, page 1 . . . . . **9**

10 **Add** lines 8 and 9 and enter the total here. If you use the **Multiple Pensions/More-Than-One-Income Worksheet,** also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4P, line 2, page 1 . . . . . **10**

Multiple Pensions/More-Than-One-Income Worksheet

Note: Complete *only* if the instructions under line G, page 1, direct you here. This applies if you (and your spouse if married filing jointly) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

1 Enter the number from line G, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) **1**

2 Find the number in **Table 1** below that applies to the **LOWEST** paying pension or job and enter it here. **However,** if you're married filing jointly and the amount from the highest paying pension or job is $65,000 or less, do not enter more than "3" **2**

3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4P, line 2, page 1. **Do not** use the rest of this worksheet **3**

Note: If line 1 is **less than** line 2, enter "-0-" on Form W-4P, line 2, page 1. Complete lines 4 through 9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.

4 Enter the number from line 2 of this worksheet **4**

5 Enter the number from line 1 of this worksheet **5**

6 **Subtract** line 5 from line 4 . . . . . **6**

7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying pension or job and enter it here **7** $

8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed . . **8** $

9 **Divide** line 8 by the number of pay periods remaining in 2017. For example, divide by 12 if you're paid every month and you complete this form in December 2016. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment . . . . . **9** $

Table 1

Married Filing Jointly		All Others	
If wages from **LOWEST** paying job or pension are—	Enter on line 2 above	If wages from **LOWEST** paying job or pension are—	Enter on line 2 above
$0 - $7,000	0	$0 - $8,000	0
7,001 - 14,000	1	8,001 - 16,000	1
14,001 - 22,000	2	16,001 - 26,000	2
22,001 - 27,000	3	26,001 - 34,000	3
27,001 - 35,000	4	34,001 - 44,000	4
35,001 - 44,000	5	44,001 - 70,000	5
44,001 - 55,000	6	70,001 - 85,000	6
55,001 - 65,000	7	85,001 - 110,000	7
65,001 - 75,000	8	110,001 - 125,000	8
75,001 - 80,000	9	125,001 - 140,000	9
80,001 - 95,000	10	140,001 and over	10
95,001 - 115,000	11		
115,001 - 130,000	12		
130,001 - 140,000	13		
140,001 - 150,000	14		
150,001 and over	15		

Table 2

Married Filing Jointly		All Others	
If wages from **HIGHEST** paying job or pension are—	Enter on line 7 above	If wages from **HIGHEST** paying job or pension are—	Enter on line 7 above
$0 - $75,000	$610	$0 - $38,000	$610
75,001 - 135,000	1,010	38,001 - 85,000	1,010
135,001 - 205,000	1,130	85,001 - 185,000	1,130
205,001 - 360,000	1,340	185,001 - 400,000	1,340
360,001 - 405,000	1,420	400,001 and over	1,600
405,001 and over	1,600		

Additional Instructions

Section references are to the Internal Revenue Code.

When should I complete the form? Complete Form W-4P and give it to the payer as soon as possible. Get Pub. 505, Tax Withholding and Estimated Tax, to see how the dollar amount you're having withheld compares to your projected total federal income tax for 2017. You also may use the IRS Withholding Calculator at *www.irs.gov/individuals* for help in determining how many withholding allowances to claim on your Form W-4P.

Multiple pensions/more-than-one-income. To figure the number of allowances that you may claim, combine allowances and income subject to withholding from all sources on one worksheet. You may file a Form W-4P with each pension payer, but don't claim the same allowances more than once. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4P for the highest source of income subject to withholding and zero allowances are claimed on the others.

Other income. If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Get Form 1040-ES and Pub. 505 at *www.irs.gov/formspubs.*

If you have income from wages, see Pub. 505 to find out if you should adjust your withholding on Form W-4 or Form W-4P.

Note: Social security and railroad retirement payments may be includible in income. See Form W-4V, Voluntary Withholding Request, for information on voluntary withholding from these payments.

Withholding From Pensions and Annuities

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depend on (a) the kind of payment you receive; (b) whether the payments are to be delivered outside the United States or its possessions; and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. See page 4 for special withholding rules that apply to payments to be delivered outside the United States and payments to foreign persons.

Because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

Choosing not to have income tax withheld. You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments by using line 1 of Form W-4P. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. Enter the estate's employer identification number (EIN) in the area reserved for "Your social security number" on Form W-4P.

You may not make this choice for eligible rollover distributions. See *Eligible rollover distribution—20% withholding* on page 4.

Caution: There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.

Periodic payments. Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want federal income tax to be withheld, you must designate the number of withholding allowances on line 2 of Form W-4P and indicate your marital status by checking the appropriate box. Under current law, you can't designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3.

If you don't want any federal income tax withheld from your periodic payments, check the box on line 1 of Form W-4P and submit the form to your payer. However, see *Payments to Foreign Persons and Payments To Be Delivered Outside the United States* on page 4.

Caution: If you don't submit Form W-4P to your payer, the payer must withhold on periodic payments as if you're married claiming three withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least $1,720 a month.

If you submit a Form W-4P that doesn't contain your correct social security number (SSN), the payer must withhold as if you're single claiming zero withholding allowances even if you checked the box on line 1 to have no federal income tax withheld.

There are some kinds of periodic payments for which you can't use Form W-4P because they're already defined as wages subject to federal income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and deferred compensation plans described in section 457 of tax-exempt organizations. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have federal income tax withheld (if permitted) or to change your choice.

Nonperiodic payments—10% withholding. Your payer must withhold at a flat 10% rate from nonperiodic payments (but see *Eligible rollover distribution—20% withholding* on page 4) **unless** you choose not to have federal income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have federal income tax withheld from a nonperiodic payment (if permitted) by submitting Form W-4P (containing your correct SSN) to your payer and checking the box on line 1. However, see *Payments to Foreign Persons and Payments To Be Delivered Outside the United States* on page 4. Generally, your choice not to have federal income tax withheld will apply to any later payment from the same plan. You can't use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount that you want withheld.

Caution: If you submit a Form W-4P that doesn't contain your correct SSN, the payer can't honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.

Eligible rollover distribution—20% withholding. Distributions you receive from qualified pension or annuity plans (for example, 401(k) pension plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over tax free to an IRA or qualified plan are subject to a flat 20% federal withholding rate. The 20% withholding rate is required, and you can't choose not to have income tax withheld from eligible rollover distributions. Don't give Form W-4P to your payer unless you want an additional amount withheld. Then, complete line 3 of Form W-4P and submit the form to your payer.

Note: The payer won't withhold federal income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA or another eligible retirement plan (if allowed by the plan), such as a qualified pension plan, governmental section 457(b) plan, section 403(b) contract, or tax-sheltered annuity.

Distributions that are (a) required by law, (b) one of a specified series of equal payments, or (c) qualifying "hardship" distributions are **not** "eligible rollover distributions" and aren't subject to the mandatory 20% federal income tax withholding. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* on page 3.

Tax relief for victims of terrorist attacks. For tax years ending after September 10, 2001, disability payments for injuries incurred as a direct result of a terrorist attack directed against the United States (or its allies), whether outside or within the United States, aren't included in income. You may check the box on line 1 of Form W-4P and submit the form to your payer to have no federal income tax withheld from these disability payments. However, you must include in your income any amounts that you received or you would've received in retirement had you not become disabled as a result of a terrorist attack. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Changing Your "No Withholding" Choice

Periodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want federal income tax withheld at the rate set by law (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

Nonperiodic payments. If you previously chose not to have federal income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

Payments to Foreign Persons and Payments To Be Delivered Outside the United States

Unless you're a nonresident alien, withholding (in the manner described above) is required on any periodic or nonperiodic payments that are to be delivered to you outside the United States or its possessions. You can't choose not to have federal income tax withheld on line 1 of Form W-4P. See Pub. 505 for details.

In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax under section 1441 on the taxable portion of a periodic or nonperiodic pension or annuity payment that is from U.S. sources. However, most tax treaties provide that private pensions and annuities are exempt from withholding and tax. Also, payments from certain pension plans are exempt from withholding even if no tax treaty applies. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for details. A foreign person should submit Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, to the payer before receiving any payments. The Form W-8BEN must contain the foreign person's taxpayer identification number (TIN).

Statement of Federal Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you on Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., showing the total amount of your pension or annuity payments and the total federal income tax withheld during the year. If you're a foreign person who has provided your payer with Form W-8BEN, your payer instead will furnish a statement to you on Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, by March 15 of next year.

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status, (b) request additional federal income tax withholding from your pension or annuity, (c) choose not to have federal income tax withheld, when permitted, or (d) change or revoke a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

City of Plano Retiree Health Benefits Change Form 2017

Retiree Name: ________________________________ Employee # __________

Change FROM:

☐ Active
☐ Coverage Waived
☐ Non Medicare
☐ Retired

Change TO:

☐ Retired
☐ Coverage Activated
☐ Medicare A & B
☐ Coverage Waived
☐ Coverage Terminated

COMPLETED CHANGE FORM MUST BE RECEIVED IN THE HUMAN RESOURCES DEPARTMENT WITHIN 31 DAYS OF THE QUALIFYING EVENT

QUALIFYING EVENT:

☐ Birth/Adoption ☐ Dependent Age Limit ☐ Gain/Loss of Coverage
☐ Death ☐ Marriage ☐ Divorce

☐ Add Dependents ☐ Terminate Dependents

Last Name, First	Effective Date	SS#	DOB

All retirees are required to provide dependent eligibility documentation as well as social security numbers for each dependent for whom enrollment is requested.

Documentation shall consist of at least one of the following documents:

- Spouse – Copy of marriage license or common law certificate filed with the state
- Biological Child – Copy of birth certificate
- Stepchild – Copy of birth certificate that shows retiree's current spouse as biological parent
- Adopted Child – Copy of adoption documents
- Grandchild, Foster, Custodial or Similar Child – Copy of appropriate legal documents showing a parent/child relationship exits

City of Plano Retiree Health Benefits Change Form 2017

COVERAGE

MEDICAL: ☐ United Healthcare Core ☐ Medicare Plan ☐ Waive	**LEVEL OF COVERAGE:** ☐ Retiree Only ☐ Retiree + Spouse ☐ Retiree + Children ☐ Retiree + Family
DENTAL: ☐ United Healthcare Dental ☐ Waive	**LEVEL OF COVERAGE:** ☐ Retiree Only ☐ Retiree + Spouse ☐ Retiree + Children ☐ Retiree + Family
VISION: ☐ United Healthcare Vision ☐ Waive	**LEVEL OF COVERAGE:** ☐ Retiree Only ☐ Retiree + Spouse ☐ Retiree + Children ☐ Retiree + Family

HOSPITAL GAP:

Age	500	1000	1500	LEVEL OF COVERAGE:
				Retiree Only
18-54	☐	☐	☐	Retiree + Spouse
55-59	☐	☐	☐	Retiree + Children
60-99	☐	☐	☐	Retiree + Family

☐ Waive

An updated Hospital Gap Enrollment Form is required when adding or dropping coverage.

This form is considered a legal document. I acknowledge that I must terminate my health insurance coverage by contacting the City of Plano Human Resources department should I obtain fulltime employment with an employer that offers health insurance.

Retiree Signature: ______________________________________

Date: ______________________________________

Revised 1-2017

Name: ____________________ Effective Date: ____________________

Employee ID#: ____________________

2017 Retiree Non-Medicare
Monthly Premium Cost Worksheet

Medical Plan	Core Plan	Dental	Vision
Retiree Only	**$ 538.00**	**$ 35.16**	**$ 8.72**
Retiree & Spouse	**$1,392.00**	**$ 69.60**	**$13.94**
Retiree & Children	**$ 994.00**	**$ 87.32**	**$14.26**
Retiree & Family	**$2,006.00**	**$132.80**	**$22.94**
Spouse Only	**$ 854.00**	**$ 35.16**	**$ 8.72**

Hospital GAP			
Under 55	**500**	**1000**	**1500**
Retiree Only	$14	$17	$20
Retiree & Spouse	$26	$31	$37
Retiree & Children	$25	$28	$32
Retiree & Family	$37	$42	$49
55-59			
Retiree Only	$20	$24	$30
Retiree & Spouse	$37	$43	$54
Retiree & Children	$31	$35	$42
Retiree & Family	$48	$54	$66
60 +			
Retiree Only	$31	$36	$46
Retiree & Spouse	$56	$65	$83
Retiree & Children	$42	$47	$58
Retiree & Family	$67	$76	$95

If Connect4Health Incentive Requirements not met, please add $50 to monthly premium.

CALCULATE YOUR PREMIUM

____________ X **$11*** = ____________

Years of City Service — Service Credit

____________ - ____________ + ____________ = ____________

Selection Retiree Medical And Dental Rate — Service Credit — Selection (Retiree Vision and/or GAP Rate) — Retiree Net Rate

____________ + ____________ = ____________

Retiree Net Rate — Dependent Rate — ***TOTAL MONTHLY PREMIUM***

***NOTE: SERVICE CREDITS APPLY TO RETIREE MEDICAL AND DENTAL ONLY**

Revised 1-2017

N/A for Civil Service or if not on City of Plano Health Plan

AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)
City of Plano, Texas

The City of Plano Accounting Department offers retirees an option to pay their monthly health insurance premium to the City via automatic bank draft. **If you are a new retiree, submit a check payment for one month along with this Authorization Agreement which will be used to pay your next premium until the automatic draft starts the month following.** (This allows ample time for the City to conduct necessary testing that ensures your first draft will be successful.)

Please read the following information and instructions carefully before you sign up for automatic bank draft. Be certain you understand the terms, conditions and time frames involved in the process. Should you have any questions, please contact Katherine McGuire at City of Plano Accounting, 972-941-5213.

If you choose this payment option, your account will be automatically debited by the amount of your premium. **Drafts will occur on the first banking day of the month.** Be sure you have funds available to cover the draft from the account used. If a draft comes back "insufficient funds," your payment still must be in Accounting by the 5th of the month. You may need to deliver your payment to avoid late fees.

The draft will be debited from a single account. If you wish to use a savings account, please be sure the account and the routing numbers are correctly and clearly printed on this form.

--- --- --- --- --- --- --- --- --- --- --- --- --- --- --- save above section for your records --- --- --- --- --- --- --- --- --- --- --- ---

Name: ____ Employee ID#: ____________
(Please Print)

I (we) hereby authorize the City of Plano to initiate debit entries to my (our) ☐ Checking Account / ☐ Savings Account (select one), indicated at the financial institution named below and to debit funds from this account. I (we) acknowledge that the origination of the ACH transactions to my (our) account must comply with the provisions of the U.S. law.

Bank Name: ____________________________________ Branch: __________________________

City: ______________________________________ State: ______________ Zip: ______________

Account Number: ____

Routing Number: ____

This authorization is to remain in full force and effect until the City of Plano Accounting Department has received written notification for me (or either of us) of its termination in such time and manner as to give the City of Plano Accounting Department a reasonable opportunity to act on it.

Signature: ____ Date: _______________________

Plano
City of Excellence

Memorandum

Name: ________________________________ Employee ID#: _________________

Effective Retirement Date: _________________________________

All eligible retirees of the City of Plano have life insurance equal to one X annual salary with a maximum $20,000 continued life insurance coverage at no cost to the retiree.

Please keep this paper in a safe location and make your beneficiary aware of this benefit. To file a claim for the life insurance, upon the death of the retiree, the beneficiary will need to contact the City of Plano Human Resources Department at 972-941-7115 to determine what paperwork is needed.

____ ________________

City of Plano Representative Date

By signing below, I am acknowledging that I am aware of this benefit and have received a copy of this form.

____ ________________

Retiree Date

BENEFICIARY DESIGNATION FORM

Life Insurance Company of North America

CIGNA Group Insurance
Life • Accident • Disability

Employer Name City of Plano

Employee Name__________ Employee Social Security #__________

Current Address__________ City__________ State______ Zip ______

Home Phone__________ Work Phone__________ *please enter all dates in mm//dd/yyyy format.*

Please review page 2 of the form for Guidelines for Designation of Beneficiaries.

Primary and Contingent Beneficiaries – Unless you designate a percentage, proceeds are paid to primary surviving beneficiaries in equal shares. Proceeds are paid to contingent beneficiaries only when there are no surviving primary beneficiaries. If you designate contingent beneficiaries and do not designate percentages, proceeds are paid to the surviving contingent beneficiaries in equal shares. Unless otherwise provided, the share of a beneficiary who dies before the insured will be divided proportionately among the surviving beneficiaries in the respective category (primary or contingent).

Basic Life Insurance, Life Insurance Company of North America - Policy No. __________

Employee's Primary Beneficiary(ies):	Relationship to Employee	Social Security Number	Date of Birth	% (total must equal 100%)
Employee's Contingent Beneficiary(ies):	**Relationship to Employee**	**Social Security Number**	**Date of Birth**	**% (total must equal 100%)**

Voluntary Term Life Insurance, Life Insurance Company of North America - Policy No. __________

Employee's Primary Beneficiary(ies):	Relationship to Employee	Social Security Number	Date of Birth	% (total must equal 100%)
Employee's Contingent Beneficiary(ies):	**Relationship to Employee**	**Social Security Number**	**Date of Birth**	**% (total must equal 100%)**

If you need additional space, using the above format, please attach a separate piece of paper with the appropriate policy number, the date and your signature.

Minors - While you may designate minors as beneficiaries, please note that claim payments may be delayed due to special issues raised by these designations. In the event of a claim and the beneficiary is a minor child, the insurance proceeds will not be released to the minor child. The insurance proceeds may be paid to a duly appointed guardian of the child's estate. You may want to obtain the assistance of an attorney in drafting your beneficiary designation.

Community Property Laws - If you are married, reside in a community property state (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington or Wisconsin), and name someone other than your spouse as beneficiary, payment of benefits may be delayed or disputed unless your spouse also signs the beneficiary designation.

Spouse Signature__________ Date____/____/____

Owner Signature__________ Date____/____/____

GUIDELINES FOR DESIGNATION OF BENEFICIARIES

General - Please be sure to include the beneficiary's full name, social security number and relationship to you. Providing this information can help expedite the claim process by making it easier to locate and verify beneficiaries.

Trust as Beneficiary - You may designate a trust as beneficiary, using the following form: "To [name of trustee], trustee of the [name of trust], under a trust agreement dated [date of trust]."

If you wish to designate a testamentary trust as beneficiary (i.e., one created by will), you should recognize the possibility that your will which was intended to create this trust may not be admitted to probate (because it is lost, contested, or superseded by a later will). Claim payment delays can result if the beneficiary designation doesn't provide for this situation.

Life Status Changes - We recommend that you review your beneficiary designation when significant life status events occur, such as marriage, divorce, or birth of a child.
See an Attorney! The above guidelines are general and are not intended to be relied on as legal advice. Unless your designation is a simple one, we recommend that you obtain the assistance of an attorney in drafting your beneficiary designation. A qualified attorney can help assure that your beneficiary designation correctly reflects your intentions, is clear and unambiguous, and meets legal requirements.

Employee ID:____________

Retiree Information Verification

To ensure our records are up to date, please complete this form.

Mail to:
City of Plano Human Resources
P.O. Box 860358
Plano, TX 75086-0358

Fax to:
(972) 941-7239

Please Print

Name:____

Street Address:____

City:______________________________ State:____________ Zip: ________________

Home Phone: ________________________ Cell Phone: ________________________

***E-mail:** ____

Emergency Contact Name: ____

Emergency Contact Phone: __________________________

<u>*Mandatory</u>

Revised 1-2017

- Retiree Health Insurance
- Retiree Life Insurance
- Other Post-Employment Benefits (OPEB)
    - Health
    - Dental
    - Life

Revised October 2016

RETIREE HEALTH INSURANCE

Eligibility to Continue Coverage Requirements

- A retiring employee must qualify for early, normal, late or disability retirement as defined by Texas Municipal Retirement System (TMRS) **AND** have at least five (5) years of continuous full time City of Plano service.

- Retirees and/or eligible dependents who qualify for Medicare coverage are no longer eligible to participate in the City of Plano health, vision or dental plans.

Enrollment

- A retiring employee has 31 days from their effective retirement date to:

  - Make a decision regarding continuation of coverage
  - Complete and submit applicable form(s)
  - Make premium payments

- Continuation of coverage includes all coverage (medical, dental, & vision) an employee is enrolled in at time of retirement. Changes to coverage may only occur during the open enrollment period.

- A retiree with coverage elsewhere may elect to continue partial coverage (i.e. only dental, only vision) if the plan they are enrolling in does not offer a particular coverage.

Dependent Coverage

- Eligible dependent(s) not on the health plan at the time the employee retires can only be added:

  - During annual open enrollment; or

  - If there is a qualifying event as defined by the Internal Revenue Service. Examples of a qualifying event are: marriage, birth, divorce, loss of job, etc. A certificate of creditable coverage is required.

  - Proof of dependent eligibility must be provided.

Primary and Secondary Coverage

Health insurance coverage from other sources will be primary with City of Plano coverage having secondary payer responsibility.

Service Credits

- Retiring employees who meet the retirement eligibility requirements and have at least ten (10) years of continuous full time employment are eligible for service credits equal to $11 for each full year of service (i.e.12 years X $11 = $132) with a maximum of thirty (30) years ($330).

- Service credits apply to the cost of premiums for the retiree **only**. Any excess credits cannot be used for dependent coverage.

    - Non Medicare eligible retirees: service credits apply only to medical and dental premiums.

    - Medicare eligible retirees: service credits apply only to Medicare medical and prescription drug premiums offered through the City of Plano.

- Retirees approved for Retirement Security Plan (RSP) Total and Permanent Disability Retirement will receive a 50% reduction in the cost of the retiree's applicable premium. Any service credit amount is applied after the 50% reduction.

Service Credit Chart

10 years = $110	17 years = $187	24 years = $264
11 years = $121	18 years = $198	25 years = $275
12 years = $132	19 years = $209	26 years = $286
13 years = $143	20 years = $220	27 years = $297
14 years = $154	21 years = $231	28 years = $308
15 years = $165	22 years = $242	29 years = $319
16 years = $176	23 years = $253	30 years = $330

Premium Payments

- Retiree is responsible for full premium minus service credits.
- Payments are due the first of each month.
- Retirees (non-Medicare) who have been approved for Total and Permanent disability through RSP are eligible for a 50% reduction in their medical and dental premium(s) in addition to any applicable service credits.
- Retirees (Medicare) who have been approved for Total and Permanent disability through RSP are eligible for a 50% reduction in their medical and prescription drug premiums in addition to any applicable service credits.
- Premiums may be set up to be directly deducted from the retiree's checking account by completing the necessary form and submitting it to the City of Plano accounting department.
- Public Safety retirees (police and fire) have the option for their premium to be automatically deducted from their TMRS monthly check. The TMRS enrollment form can be obtained from their website www.tmrs.org.

Late Fees and Penalties:
Payments received after the 5th of each month will result in a late penalty as follows:

- 1st late payment in a calendar year will result in a $25 fee.
  The monthly premium and $25 late fee must be paid by the 15th of the month for which the premium is owed. Failure to meet this deadline will result in loss of insurance coverage. Once coverage is lost, it cannot be reinstated.
- 2nd late payment in a calendar year will result in a $50 fee. The monthly premium and $50 late fee must be paid by the 15th of the month for which the premium is owed. Failure to meet this deadline will result in loss of insurance coverage. Once coverage is lost, it cannot be reinstated.
- 3rd late payment in a calendar year will result in the loss of 50% of the retiree's service credits. Once service credits are lost, they will not be reinstated. Failure to submit the late payment by the 15th of the month for which it is due will result in loss of insurance coverage. Once coverage is lost, it cannot be reinstated.
- 4th late payment in a calendar year will result in the loss of **ALL** service credits. Once service credits are lost, they will not be reinstated. Failure to submit the late

payment by the 15th of the month for which it is due will result in loss of insurance coverage. Once coverage is lost, it cannot be reinstated.

- 5th late payment in a calendar year will result in the loss of retiree health insurance. Once coverage is lost it cannot be reinstated. A total and permanent disability retiree and/or dependent of a Medicare eligible retiree, having no service credits, will lose health insurance coverage effective the 1st of the month for which payment was due when they have more than 2 late payments in a calendar year. Once coverage is cancelled, it cannot be reinstated.

Nonpayment of any portion of dependent's premium will result in loss of coverage for both the retiree and their dependent(s). Once coverage is lost for non-payment, it cannot be reinstated.

Annual Open Enrollment

- Each year, typically in the September/October timeframe, open enrollment information will be provided electronically via e-mail to non-Medicare eligible retirees and also posted on the City of Plano retirement center site.

- Plan changes for non-Medicare retirees can only occur during open enrollment for coverage effective the following January 1st.

Retiree Life Insurance

Employees who retire on or after October 1, 1994, under the early normal, late or disability provisions, with at least ten (10) years of continuous full-time employment with the City of Plano are eligible for:

- Life insurance equal to 1 times annual salary, maximum of $20,000, at no cost to the retiree;

- Conversion option (information provided at retiree out-processing).
  Retirees who qualify for Total and Permanent Disability Retirement under the Retirement Security Plan (RSP) may be eligible for additional life insurance under the "waiver of premium" provision.

Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a pension from a federal, state, or local government based on work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.

How much will my Social Security benefits be reduced?

We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of $600, two-thirds of that, or $400, must be deducted from your Social Security benefits. For example, if you're eligible for a $500 spouses, widows or widowers benefit from Social Security, you'll get $100 a month from Social Security ($500 – $400 = $100).

If you take your government pension annuity in a lump sum, Social Security still will calculate the reduction as if you chose to get monthly benefit payments from your government work.

Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent's" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

For example, if a woman worked and earned her own $800 monthly Social Security benefit, but was also due a $500 wife's benefit on her husband's record, we couldn't pay that wife's benefit because her own benefit offset it. But, before enactment of the Government Pension Offset, if that same woman was a government employee who didn't pay into Social Security and earned an $800 government pension, there was no offset. We had to pay her a full wife's benefit and her full government pension.

If this person's government work had been subject to Social Security taxes, we would reduce any spouse, widow, or widower benefit because of their own Social Security benefit. The Government Pension Offset ensures that we calculate the benefits of government employees who don't pay Social Security taxes the same as workers in the private sector who pay Social Security taxes.

When won't my Social Security benefits be reduced?

Generally, we won't reduce your Social Security benefits as a spouse, widow, or widower if you

- Receive a government pension that's not based on your earnings; or
- Are a federal (including Civil Service Offset), state, or local government employee and your government pension is from a job for which you paid Social Security taxes; and
  - —You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004; or
  - —Your last day of employment (that your pension is based on) is before July 1, 2004; or
  - —You paid Social Security taxes on your earnings during the last 60 months of government service. (Under certain conditions, we require fewer than 60 months for people whose last day of employment falls after June 30, 2004, and before March 2, 2009.)

There are other situations for which we won't reduce your Social Security benefits as a spouse, widow, or widower; for example, if you

- Are a federal employee who switched from the Civil Service Retirement System (CSRS) to the Federal Employees' Retirement System (FERS) after December 31, 1987; and

(over)

—You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004; or
—Your last day of service (that your pension is based on) is before July 1, 2004; or
—You paid Social Security taxes on your earnings for 60 months or more during the period beginning January 1988 and ending with the first month of entitlement to benefits; or

- Received, or were eligible to receive, a government pension before December 1982 and meet all the requirements for Social Security spouse's benefits in effect in January 1977; or
- Received, or were eligible to receive, a federal, state, or local government pension before July 1, 1983, and were receiving one-half support from your spouse.

Note: *A Civil Service Offset employee is a federal employee, rehired after December 31, 1983, following a break in service of more than 365 days, with five years of prior CSRS coverage.*

What about Medicare?

Even if you don't get cash benefits from your spouse's work, you can still get Medicare at age 65 on your spouse's record if you aren't eligible for it on your own record.

Can I still get Social Security benefits from my own work?

The offset applies only to Social Security benefits as a spouse, or widow, or widower. However, we may reduce your own benefits because of another provision. For more information, ask for *Windfall Elimination Provision* (Publication No. 05-10045).

Contacting Social Security

Visit ***www.socialsecurity.gov*** anytime to apply for benefits, open a ***my*** **Social Security** account, find publications, and get answers to frequently asked questions. Or, call us toll-free at **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We can answer case-specific questions from 7 a.m. to 7 p.m., Monday through Friday. Generally, you'll have a shorter wait time if you call after Tuesday. We treat all calls confidentially. We also want to make sure you receive accurate and courteous service, so a second Social Security representative monitors some telephone calls. We can provide general information by automated phone service 24 hours a day. And, remember, our website, ***www.socialsecurity.gov***, is available to you anytime and anywhere!

Printed on recycled paper

Social Security Administration
SSA Publication No. 05-10007
ICN 451453
Unit of Issue - HD (one hundred)
July 2015 (June 2012 edition may be used)

Windfall Elimination Provision

2016

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any pension you get from that work can reduce your Social Security benefits.

When your benefits can be affected

This provision can affect you when you earn a pension from an employer who didn't withhold Social Security taxes ***and*** you qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if:

- You reached 62 after 1985; or
- You became disabled after 1985; and
- You first became eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1956. We won't reduce your Social Security benefit amounts if you performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA). For example, for a worker who turns 62 in 2016, the first $856 of average monthly earnings is multiplied by 90 percent; earnings between $856 and $5,157 by 32 percent; and the balance by 15 percent. The sum of the three amounts equals the PIA which is then decreased or increased depending on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2016, with average earnings of $3,000 per month could receive a benefit at FRA of $1,456 (49 percent) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of $8,000 per month, the benefit starting at FRA could be $2,573 (32 percent) plus COLAs. However, if either of these workers start benefits earlier, we'll reduce their monthly benefit.

Why we use a different formula

Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or became disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983;
- You were employed on December 31, 1983, by a nonprofit organization that didn't withhold Social Security taxes from your pay at first, but then began withholding Social Security taxes;
- Your only pension is for railroad employment;

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- The only work you performed for which you didn't pay Social Security taxes was before 1957; or
- You have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision doesn't apply to survivors benefits. We may reduce widows or widowers benefits because of another law. For more information, read *Government Pension Offset* (Publication No. 05-10007).

Social Security years of substantial earnings

If you have 30 or more years of substantial earnings, we don't reduce the standard 90 percent factor in our formula. See the first table that lists substantial earnings for each year.

The second table shows the percentage used to reduce the 90 percent factor depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, we reduce the 90 percent factor to between 45 and 85 percent. To see the maximum amount we could reduce your benefit, visit ***www.socialsecurity.gov/retire2/wep-chart.htm***.

A guarantee

The law protects you if you get a low pension. We won't reduce your Social Security benefit more than half of your pension for earnings after 1956 on which you didn't pay Social Security taxes.

Contacting Social Security

Visit ***www.socialsecurity.gov*** anytime to apply for benefits, open a ***my* Social Security** account, find publications, and get answers to frequently asked questions. Or, call us toll-free at **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We can answer case-specific questions from 7 a.m. to 7 p.m., Monday through Friday. Generally, you'll have a shorter wait time if you call after Tuesday. We treat all calls confidentially. We also want to make sure you receive accurate and courteous service, so a second Social Security representative monitors some telephone calls. We can provide general information by automated phone service 24 hours a day. And, remember, our website, ***www.socialsecurity.gov***, is available to you anytime and anywhere!

Year	Substantial earnings
1937–1954	$900
1955–1958	$1,050
1959–1965	$1,200
1966–1967	$1,650
1968–1971	$1,950
1972	$2,250
1973	$2,700
1974	$3,300
1975	$3,525
1976	$3,825
1977	$4,125
1978	$4,425
1979	$4,725
1980	$5,100
1981	$5,550
1982	$6,075
1983	$6,675
1984	$7,050
1985	$7,425
1986	$7,875
1987	$8,175
1988	$8,400
1989	$8,925
1990	$9,525
1991	$9,900
1992	$10,350
1993	$10,725
1994	$11,250
1995	$11,325
1996	$11,625
1997	$12,150
1998	$12,675
1999	$13,425
2000	$14,175
2001	$14,925
2002	$15,750
2003	$16,125
2004	$16,275
2005	$16,725
2006	$17,475
2007	$18,150
2008	$18,975
2009–2011	$19,800
2012	$20,475
2013	$21,075
2014	$21,750
2015-2016	$22,050

Years of substantial earnings	Percentage
30 or more	90 percent
29	85 percent
28	80 percent
27	75 percent
26	70 percent
25	65 percent
24	60 percent
23	55 percent
22	50 percent
21	45 percent
20 or less	40 percent

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Your Retirement Benefit: How It's Figured

2016

As you make plans for your retirement, you may ask, "How much will I get from Social Security?" To find out, you can use the *Retirement Estimator* at ***www.socialsecurity.gov/estimator***. Workers age 18 and older can also go online, create a personal account and request their *Social Security Statement*. To review your *Statement*, go to ***www.socialsecurity.gov/myaccount***.

Many people wonder how we figure their Social Security retirement benefit. We base Social Security benefits on your lifetime earnings. We adjust or "index" your actual earnings to account for changes in average wages since the year the earnings were received. Then Social Security calculates your average indexed monthly earnings during the 35 years in which you earned the most. We apply a formula to these earnings and arrive at your basic benefit, or "primary insurance amount." This is how much you would receive at your full retirement age — 65 or older, depending on your date of birth.

On the back of this page is a worksheet you can use to estimate your retirement benefit if you were born in 1954. It's only an estimate; for specific information, talk with a Social Security representative.

Factors that can change the amount of your retirement benefit

- *You choose to get benefits before your full retirement age.* You can begin to receive Social Security benefits as early as age 62, but at a reduced rate. We reduce your basic benefit a certain percentage if you retire before reaching full retirement age.
- *You're eligible for cost-of-living benefit increases starting with the year you become age 62.* This is true even if you don't get benefits until your full retirement age or even age 70. We add cost-of-living increases to your benefit beginning with the year you reach 62, and up to the year you start receiving benefits.
- *You delay your retirement past your full retirement age.* We increase Social Security benefits a certain percentage (depending on your date of birth) if you delay receiving benefits until after your full retirement age. If you do so, we'll increase your benefit amount until you start taking benefits, or until you reach age 70.
- *You're a government worker with a pension.* If you also get, or are eligible for, a pension from work for which you didn't pay Social Security taxes (usually a government job), we apply a different formula to your average indexed monthly earnings. To find out how the Windfall Elimination Provision (WEP) affects your benefits, go to ***www.socialsecurity.gov/gpo-wep*** and use the WEP online calculator. You can also review the WEP fact sheet to find out how we figure your benefit. Or, you can contact Social Security and ask for *Windfall Elimination Provision* (Publication No. 05-10045).

You can find a detailed explanation about how we calculate your retirement benefit in the *Annual Statistical Supplement, 2014, Appendix D.* The publication is available on the Internet at ***www.socialsecurity.gov/policy/docs/statcomps/supplement***.

Contacting Social Security

Visit ***www.socialsecurity.gov*** anytime to apply for benefits, open a ***my* Social Security** account, find publications, and get answers to frequently asked questions. Or, call us toll-free at **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We can answer case-specific questions from 7 a.m. to 7 p.m., Monday through Friday. Generally, you'll have a shorter wait time if you call after Tuesday. We treat all calls confidentially. We also want to make sure you receive accurate and courteous service, so a second Social Security representative monitors some telephone calls. We can provide general information by automated phone service 24 hours a day. And, remember, our website, ***www.socialsecurity.gov***, is available to you anytime and anywhere!

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Estimating your Social Security retirement benefit

For workers born in 1954 (people born in 1954 become age 62 in 2016 and are eligible for a benefit)

This worksheet shows how to estimate the Social Security monthly retirement benefit you would be eligible for at age 62, if you were born in 1954. It also allows you to estimate what you would receive at age 66, your full retirement age, **excluding any cost-of-living adjustments for which you may be eligible**. If you continue working past age 62, your additional earnings could increase your benefit. People born after 1954 can use this worksheet, but their benefit may be higher because of additional earnings and benefit increases. If you were born before 1954, visit ***www.socialsecurity.gov*** and search for *Retirement Age Calculator*.

Step 1: Enter your earnings in Column B, but not more than the amount shown in Column A. If you have no earnings, enter "0."

Step 2: Multiply the amounts in Column B by the index factors in Column C, and enter the results in Column D. This gives you your indexed earnings, or the estimated value of your earnings in current dollars.

Step 3: Choose from Column D the 35 years with the highest amounts. Add these amounts. $_________

Step 4: Divide the result from Step 3 by 420 (the number of months in 35 years). Round down to the next lowest dollar. This will give you your average indexed monthly earnings. $_________

Step 5: a. Multiply the first $856 in Step 4 by 90%. $_________

b. Multiply the amount in Step 4 over $856 and less than or equal to $5,157 by 32%. $_________

c. Multiply the amount in Step 4 over $5,157 by 15%. $_________

Step 6: Add a, b, and c from Step 5. Round down to the next lowest dollar. This is your estimated monthly retirement benefit at age 66, your full retirement age. $_________

Step 7: Multiply the amount in Step 6 by 75%. This is your estimated monthly retirement benefit if you retire at age 62. $_________

Year	A. Maximum earnings	B. Actual earnings	C. Index factor	D. Indexed earnings
1955	$4,200		14.08	
1956	$4,200		13.16	
1957	$4,200		12.76	
1958	$4,200		12.65	
1959	$4,800		12.05	
1960	$4,800		11.60	
1961	$4,800		11.37	
1962	$4,800		10.83	
1963	$4,800		10.57	
1964	$4,800		10.16	
1965	$4,800		9.98	
1966	$6,600		9.41	
1967	$6,600		8.92	
1968	$7,800		8.34	
1969	$7,800		7.89	
1970	$7,800		7.51	
1971	$7,800		7.15	
1972	$9,000		6.52	
1973	$10,800		6.13	
1974	$13,200		5.79	
1975	$14,100		5.39	
1976	$15,300		5.04	
1977	$16,500		4.75	
1978	$17,700		4.40	
1979	$22,900		4.05	
1980	$25,900		3.71	
1981	$29,700		3.37	
1982	$32,400		3.20	
1983	$35,700		3.05	
1984	$37,800		2.88	
1985	$39,600		2.76	

Year	A. Maximum earnings	B. Actual earnings	C. Index factor	D. Indexed earnings
1986	$42,000		2.68	
1987	$43,800		2.52	
1988	$45,000		2.40	
1989	$48,000		2.31	
1990	$51,300		2.21	
1991	$53,400		2.13	
1992	$55,500		2.03	
1993	$57,600		2.01	
1994	$60,600		1.96	
1995	$61,200		1.88	
1996	$62,700		1.79	
1997	$65,400		1.69	
1998	$68,400		1.61	
1999	$72,600		1.53	
2000	$76,200		1.45	
2001	$80,400		1.41	
2002	$84,900		1.40	
2003	$87,000		1.36	
2004	$87,900		1.30	
2005	$90,000		1.26	
2006	$94,200		1.20	
2007	$97,500		1.15	
2008	$102,000		1.12	
2009	$106,800		1.14	
2010	$106,800		1.12	
2011	$106,800		1.08	
2012	$110,100		1.05	
2013	$113,700		1.04	
2014	$117,000		1.00	
2015	$118,500		1.00	

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