Application for Insurance Premium Deductions
For Retired Public Safety Officers

(to be completed by retiree and city official of last employing city)

TMRS®
Texas Municipal Retirement System

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

Retiree's Name (first, middle, last) _____ Social Security Number _____ – _____ – _____

Mailing Address _____ Daytime Phone Number ( ) _____ – _____

City _____ State _____ Zip Code _____

Last Employing City _____ TMRS Identification Number *(Not Required)* _____

PAYMENT INFORMATION

Pay to the order of: _____ Account/Policy Number _____

Remittance Address _____ Insurance Contact Number ( ) _____ – _____

City _____ State _____ Zip Code _____

$ _____ Monthly deduction elected (in dollars) _____ Date Effective (MM/YYYY) _____ Name of Insurance Company (if different from Payee above)

Please note that you may deduct any amount that does not exceed your net monthly annuity. However, the amount that may be excluded from your taxable income in one year cannot exceed $3,000. You may wish to consult with your tax advisor or the Internal Revenue Service to determine your eligibility for this benefit.

RETIREE CERTIFICATION

I certify that I was an eligible Public Safety Officer (definition on reverse side of form) when I terminated employment from my last employing city. I elect to have the amount indicated above deducted from my monthly TMRS benefit to pay for my qualified insurance premium, to remit the deduction as directed above, and certify that I have not elected to pay for my qualified insurance premium from any other retirement plan. I certify that TMRS is not responsible for lapsed insurance coverage or any other coverage or benefit issues that arise because of payment of premiums through this deduction arrangement. I waive any claims of any kind against TMRS arising from this payment arrangement, including additional tax liability, and hereby indemnify and release TMRS from any liability arising from the administration of the payment of my qualified insurance premium. I authorize TMRS to discuss this insurance with my insurance carrier or former employer.

Retiree's Signature _____ Date Signed (MM/DD/YYYY) _____

*TMRS will issue one monthly payment for the qualified insurance premium on the last business day of each month until TMRS is notified otherwise. The changes in the monthly benefit payment will take effect the month **after** TMRS receives this form.*

CITY CERTIFICATION (to be completed by last employing city)

I hereby certify that the above named retiree was an eligible Public Safety Officer (defined on reverse side of form) at the time of separation and was employed by the city in one of the following capacities:

❑ Police Officer, Firefighter, Emergency Medical Services Employee, Corrections Officer, Probation Officer, Parole Officer, Judicial Officer

❑ Other: _____

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

Printed Name and Title _____ City Name _____

Please read the information provided on the reverse side of this document.

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★ T M R S H L P S ★

PURPOSE

The Pension Protection Act (PPA) 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 insurance premiums in order to reduce their taxable income. The health insurance or long-term care insurance coverage can include the retiree, spouse, and dependents. You may deduct any amount that does not exceed your net monthly annuity. However, the amount that may be excluded from your taxable income on your individual tax return cannot exceed $3,000 in one year. You may wish to consult with your tax advisor or the IRS to determine your eligibility for this benefit.

DEFINITION OF A PUBLIC SAFETY OFFICER

Under Section 845 (Healthcare Enhancement For Local Public Safety, or HELPS Provision) of the the Pension Protection Act, the term "eligible public safety officer" means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a public safety officer. The PPA uses the definition in Section 1204(8)(A) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b(9)(A)). That definition includes the following individuals serving a public agency in an official capacity:

- 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 of fire departments, and police departments

DEDUCTIONS WILL BE PAID DIRECTLY TO THE INSURER OR FORMER EMPLOYER

TMRS must pay the insurance premium directly to the insurance provider or your former employer in order for you to be eligible to exclude up to $3,000 in any tax year from your taxable income. TMRS will not deduct more than one monthly premium from a benefit payment and deductions will be limited to the net monthly benefit. TMRS will issue insurance payments once a month on the last business day of each month until notified in writing by the retiree. The changes in the monthly benefit payment will take effect the month after TMRS receives this form.

COMPLETION OF PAYMENT INFORMATION

In this section you designate the entity to receive your insurance premium. If your current arrangement requires you to pay the insurance carrier, third party administrator, or the city, place their name on the "Pay to the order of" line. TMRS is not responsible for any lapsed insurance coverage. Therefore you must make arrangements for premium payments that become due before this change takes effect. Changes take effect one month **after** TMRS receives this form.

WHAT IF THE INSURANCE CARRIER OR PREMIUM AMOUNT CHANGES?

You must complete a new form to change the insurance carrier or change the amount being deducted for insurance premiums. You must pay your insurance provider directly for the difference (if any) between the premium due and the amount deducted from your pension. TMRS is not responsible for lapsed insurance coverage or any other coverage or benefit issues that arise because of payment of premiums through this deduction arrangement.

IS THIS DEDUCTION AVAILABLE TO PAYEES OTHER THAN THE RETIREE?

No, this deduction is available only to retired members. No other payee is eligible to make this election.