CHECKLIST FOR SERVICE RETIREMENT

PHONE CENTER:  1.800.924.8677
WEBSITE:  WWW.TMRS.COM
NEED HELP?  WWW.TMRS.COM/CONTACT.PHP

RIGHT AWAY!
☐ Register with MyTMRS so you can view your account information online and run estimates.
☐ Keep your contact information up-to-date. Use a longstanding email address (personal one that you will have after you retire).

12 MONTHS BEFORE RETIREMENT
☐ Closely review your most recent Annual Statement (mailed in March each year; available in MyTMRS). If you find errors, call the TMRS Phone Center at 1.800.924.8677.
☐ Resolve questions about purchasing any eligible service credit.
☐ Verify that TMRS has your current home mailing address and phone number.
☐ Review beneficiary designations for TMRS and other accounts; update if necessary.

10 MONTHS BEFORE RETIREMENT
☐ Make a list of what you will do with your time after retirement. Consider all of your possibilities: work, volunteering, travel, etc.
☐ Gather information on Social Security benefits. Medicare and any other retirement accounts.
☐ Review your post-retirement health care and insurance options.

8 MONTHS BEFORE RETIREMENT
☐ Run estimates of your TMRS benefits, using your planned retirement date. If you can’t use MyTMRS, call the Phone Center.
☐ Meet with your financial advisor or attorney to discuss financial and estate issues.

6 MONTHS BEFORE RETIREMENT
☐ Consider making an appointment with a TMRS Analyst.
☐ Compare your expenses after retirement to your anticipated retirement income.

5 MONTHS BEFORE RETIREMENT
☐ Request the Service Retirement Packet from your City, TMRS or download from the TMRS Website, WWW.TMRS.COM

☐ Finalize your estate plan.
☐ Make decisions concerning tax withholding etc.

4 MONTHS BEFORE RETIREMENT
☐ Work on your Service Retirement Packet. *Remember, applications for retirement must be received by your retirement date, but not more than 90 days before that date.
☐ Learn the TMRS regulations for post-retirement employment.
☐ Research exercise and wellness programs.

3 MONTHS BEFORE RETIREMENT
☐ Service Retirement Application (TMRS-15) should be completed and submitted to TMRS to “lock in” your retirement date.
☐ Set up an account with your financial institution. All TMRS retirement payments must be electronically deposited.
☐ Notify your employer in writing of your last date of service and subsequent retirement date. Keep a copy for your records. *Remember, your employer may have requirements related to health care coverage and other non-TMRS benefits.

2 MONTHS BEFORE RETIREMENT
☐ Submit your Service Retirement Application (TMRS-15) if you have not done so. Getting your retirement paperwork in early helps avoid any delays in processing your retirement.
☐ Promptly respond to any correspondence or communications you receive from TMRS.
☐ Check on your health insurance coverage so as to avoid any problems.

1 MONTH BEFORE RETIREMENT
☐ Make sure your Service Retirement Application (TMRS-15) and related retirement information have been submitted to TMRS.
☐ Fulfill all employment obligations and complete any outstanding paperwork.
☐ Prepare to venture into the next exciting chapter of your life!
Helpful Phone Numbers and Websites

**TMRS**
PO Box 149153, Austin, TX 78714-9153
800-924-8677; [www.tmrs.com](http://www.tmrs.com)

**SOCIAL SECURITY ADMINISTRATION**
800-772-1213; 800-325-0778 TTY
[www.ssa.gov](http://www.ssa.gov)

**MEDICARE**
800-633-4227
[www.medicare.gov](http://www.medicare.gov)

**INTERNAL REVENUE SERVICE**
888-227-7669

**TEXAS HEALTH AND HUMAN SERVICES**

**AGING AND DISABILITY SERVICES**
*Long-term Care Ombudsman Program: 800-252-2412*
[https://hhs.texas.gov](https://hhs.texas.gov)

**TEXAS DEPARTMENT OF INSURANCE**
800-252-3439
[www.tdi.state.tx.us](http://www.tdi.state.tx.us)

**NATIONAL ARCHIVES AND RECORDS ADMINISTRATION (MILITARY RECORDS)**
National Personnel Records Center
1 Archives Drive, St. Louis, MO 63138
[www.archives.gov](http://www.archives.gov)

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**PROPORTIONATE RETIREMENT SYSTEMS**

**CITY OF AUSTIN EMPLOYEES RETIREMENT SYSTEM**
512-458-2551
[www.coaers.org](http://www.coaers.org)

**EMPLOYEES RETIREMENT SYSTEM OF TEXAS**  
(also JUDICIAL RETIREMENT SYSTEM, PLANS 1 AND 2)
877-275-4377
[www.ers.state.tx.us](http://www.ers.state.tx.us)

**TEACHER RETIREMENT SYSTEM OF TEXAS**
800-223-8778
[www.trs.state.tx.us](http://www.trs.state.tx.us)

**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**
800-823-7782
[www.tcdrs.org](http://www.tcdrs.org)
Q. What does the HELPS provision do?

A. If you are an eligible retired or permanently disabled Public Safety Officer, you may deduct from your taxable income payments made from an eligible retirement plan (such as TMRS) that are used to pay premiums for accident, health, or long-term care insurance. The amount you may reduce your taxable income is the amount of the premiums paid — up to $3,000 per year.

Q. Who is eligible for HELPS?

A. This provision (created by the federal Pension Protection Act of 2006) applies to Public Safety Officers (PSO) only; it does not apply to all Public Safety Employees. To qualify for this program, you must separate from service as a “Public Safety Officer.” Public Safety Officers are defined by law as:

- Individuals 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

It is the responsibility of each individual to substantiate his or her PSO eligibility. The individual’s responsibility also applies in the event of an IRS audit. PSO determinations will ultimately be made by the IRS.

Q. How does HELPS work?

A. If you are a retiring (or retired) Public Safety Officer and wish to make this election, the amount you designate for your HELPS payment is directly transferred by TMRS to your insurance provider. To take advantage of this provision, you will need to have your city certify that you were a Public Safety Officer at the time of your separation from service.

After retirement, if your health plan is administered by your city, TMRS will coordinate payments through the city. If you are in a separate plan, TMRS will coordinate payments with your provider. To set up HELPS payments, fill out an Application for Insurance Premium Deductions for Retired Public Safety Officers (TMRS-HLPS). You must have the city certification in order to use this benefit.

Q. How do I fill out the TMRS-HLPS form?

A. First, complete the Retiree Information and Payment Information portions of the form. The Effective Date will be the last business day of the month, and the changes in the monthly benefit payment will take effect the month after TMRS receives this form. Second, sign the form to certify you are requesting these payments. Third, your city must certify the bottom portion of the form, indicating your PSO status at time of separation.

Q. How do I report HELPS payments on my federal tax return?

A. To claim HELPS payments on your tax return, you will need to know the full amount paid for the tax year. TMRS mails letters in January to all eligible retirees who had insurance premiums deducted from their annuity. Your letter will show the amount that TMRS deducted from your annuity payments and paid directly to your insurance provider for the year.

In accordance with Internal Revenue Service (IRS) instructions, the exclusion from income is not reflected in box 2a of your Form 1099-R. Detailed instructions on where to deduct this amount from income and how to note it on your 1040 or 1040A can be found in the instructions to these forms and in the IRS Publication 575 Pension and Annuity Income. (For your convenience, we have posted these PDFs on our website). If you have enrolled in the HELPS program through TMRS, we will send you a letter in January that confirms your previous year’s premium payments.

All TMRS forms are available on the website: www.TMRS.com.

If you have questions about the HELPS provision and your TMRS retirement, please call 800.924.8677.
For TMRS Members Who Are Public Safety Employees

Federal law provides two specific benefits for public safety employees — the Healthcare Enhancement for Local Public Safety Officers, or HELPS Provision, and a tax waiver on lump-sum payments for all public safety employees. This sheet explains the two provisions in detail.

I. HELPS Provision for Retired Public Safety Officers

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. In accordance with Internal Revenue Service (IRS) instructions, the exclusion from income is not reflected on your Form 1099-R.

To qualify for this program, you have to separate from service as a “public safety officer,” defined by law as:

- 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;
- Officer recognized or designated:
  - Public employee members of a rescue squad or ambulance crew
  - Chaplains of fire departments and police departments.

To set up HELPS payments, fill out an Application for Insurance Premium Deductions for Retired Public Safety Officers (TMRS-HLPS). Your city will certify your status as a public safety officer at the time of separation. Your ability to use this benefit will depend on this certification.

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 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.

To Claim HELPS Payments as a Deduction on your Taxes

To claim HELPS payments on your tax return, you will need to know the full amount paid for the tax year. TMRS mails letters in January to all retirees who have applied to have insurance premiums deducted from their annuity under the HELPS. Your letter will show the amount that TMRS deducted from your annuity payments and paid directly to your insurance provider for the year.

In accordance with Internal Revenue Service (IRS) instructions, the exclusion from income is not reflected on your Form 1099-R. Detailed instructions on where to deduct this amount from income and how to note it on your 1040 or 1040A can be found at the top of page 6 of IRS Publication 575 Pension and Annuity Income. (For your convenience, we have posted these PDFs on our website). More information about this exclusion and how to report it may be found in the instructions to the Forms 1040 and 1040A, which may be viewed or downloaded at the IRS website.

(over)
II. Tax Waiver for Public Safety Employees Who Receive a Lump Sum Payment

Federal tax law changed in 2006 to permit public safety employees who separate from service in the year they reach age 50 or later, to waive the 10% IRS penalty on lump sum distributions. Under previous law, all employees could separate at age 55 or older and waive the penalty.

To qualify, you must separate from service in the year you turn 50 or later, and be serving as a public safety employee when you leave city employment. Then, if you choose to receive a Partial Lump Sum Distribution at retirement OR choose to receive a refund of your deposits after you separate from service, you may not have to pay the 10% IRS penalty.

The definition of “public safety employee” is limited to those employees who provide police protection, firefighting services, or emergency medical services. Note that the definition is more restrictive than the public safety officer definition used for the HELPS provision (previous page).

If you are receiving a lump sum payment, whether in the form of a partial lump sum distribution (PLSD) at retirement or in the form of a refund, your city will need to certify your eligibility as a public safety employee. This is done using the Public Safety Employee Certification form (TMRS-PSE), available on our website.

Consult with a tax advisor or the Internal Revenue Service to determine eligibility for this provision.
What happens to my TMRS benefits while I serve?
- The Uniformed Services Employment and Reemployment Rights Act (USERRA) allows employees who leave employment (voluntarily or involuntarily), to serve in the military to apply for credit as if they had never left.
- You do not lose any accrued benefits with TMRS.

How can I get credit for the time I serve?
- You must return to work for the same city within 90 days after discharge.
- You must be discharged under conditions other than dishonorable.
- You must complete an application and attach a copy of the DD214 upon returning to work.
- Upon receipt of the application, you will receive service credit for the months you served on active duty.

Can I get monetary credit?
- If you meet the conditions above, you may deposit into TMRS the amount of money that would have been deducted from your paycheck had you never left to serve in the military.
- You have up to three times the length of your active duty service period (not to exceed 5 years) to deposit your TMRS contribution.
- The city matches all deposits made by you.

Do I have to do anything before I leave?
- No. Applications for the USERRA credit or the regular military service credit should be completed when you return to work.

What about TMRS death and disability benefits while I am on active duty?
- Your accrued TMRS benefits are not lost.
- If you die while on active duty, your TMRS benefit is payable to your beneficiary.
- Employees on active duty are not covered by the Supplemental Death Benefits program.
- TMRS members who become disabled on active duty are not eligible for occupational disability benefits through TMRS.

Please note that this is only a summary of the related law. If any specific questions of fact or law should arise, the statutes will govern.