Returning to Work After Retirement

If you have retired and are receiving a monthly benefit from the Texas Municipal Retirement System and you are considering re-entering the workforce, there are a few important things for you to know.

If you return to work at the city you retired from, in a position that requires TMRS participation, your monthly benefit payment will be suspended and forfeited for as long as you remain reemployed with that city. In most cases, this will be the TMRS city where you were last employed.

Once you retire again, the suspended monthly benefit payments, including any COLAs granted during the suspension, will resume, and you can also choose how to receive the retirement benefit you have earned during your return to employment.

Other post-retirement employment will not affect your TMRS benefit. You may go to work in the private sector or with a public employer and continue to receive your benefit. This includes any TMRS city other than the city where you retired.

Some TMRS retirees have multiple accounts because they retired from several cities. If you are receiving multiple monthly benefit payments from TMRS and you are returning to work for one of those cities, you should contact TMRS to determine if your benefits will or will not be suspended.

An additional consideration applies to TMRS members who have been retired for eight years or longer. If you have been retired for at least eight years and then return to work for the city you retired from, your benefit will still be suspended but the suspended payments will be paid to you as a lump sum when you re-retire.

Another important thing to keep in mind is that, under federal regulations, any retirement must be based on a “bona fide” separation from service. In other words, there should be no prearrangement for you to return to service at the city from which you retired.

If you have any further questions about returning to work after retirement, please contact TMRS at 1.800.924.8677 or send a message through the Need Help? form on the TMRS website.