

# HELPS Provision for Retired Public Safety Officers

## **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 paid directly 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.

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](http://www.TMRS.com).

If you have questions about the HELPS provision and your TMRS retirement, please call **800.924.8677**.

