



Pension Benefits Overview

For Defined Contribution Plan Enrollees Preparing for Retirement

As an STRS Ohio member approaching retirement, you will want to be aware of the items detailed in this document related to your pension benefits.

Pension Benefits

Benefit Payment Details

If your fully completed *Service Retirement Application* is received by STRS Ohio at least 30 days before your retirement date, we may issue a benefit payment on your retirement date. If the actual benefit amount is not calculated by your retirement date, a partial payment may be issued.

Most members receive three or more partial payments. Once exact information is available, any balance will be retroactive to your retirement effective date of retirement and paid as a catch-up payment, which is the difference paid to you after receiving partial payments and before your regular payments begin.

- Benefits are automatically deposited to your bank account on the first banking day of the month, which is usually the first day of the month.
- If the first day of the month is a holiday or falls on a weekend, the direct deposit date is adjusted accordingly.
- You will be notified when you receive your first regular benefit payment, every January and following changes to your benefit amount.

A list of the first banking day of each month is available at www.strsoh.org under Receiving Benefits, Payment of Benefits.

Employment After Retirement

Reemployment in a public position in Ohio after retirement is restricted during the first two months following retirement.

- To be eligible for service retirement, there **must be a minimum one-day break in service** between the last day of employment as an active member of STRS Ohio and the first day of employment as a reemployed retiree. This one day must be the last workday of the month or the first workday of the retirement month and cannot be a Saturday, Sunday or holiday.
- In addition to the one day break in service, there is a two-month waiting period requirement for returning to Ohio public employment. This includes paid service or volunteer work in the same position you held at retirement. If during your first two months of retirement you return to paid Ohio public employment or perform volunteer work that is the same as the duties you held at retirement, you will forfeit monthly benefits for any month in which you are in violation. The amount forfeited is the Single Life Annuity benefit calculated before the reduction for a Joint and Survivor Annuity or Annuity Certain (if selected).
- If you plan on retiring and returning to Ohio public employment, STRS Ohio must receive your *Service Retirement Application* before your reemployment begins. Further information can be found in the *Employment After Retirement* brochure.

If you continue public employment after retirement, you will contribute to the applicable Ohio public retirement system. If you become employed in an STRS Ohio-covered position, you will be eligible to receive your contributions plus interest upon termination from reemployment. Ohio law may require public notice if you are returning to your former employer. Please contact your employer for details.

Acceptance of Rollover Funds

Members enrolled in the Defined Contribution Plan who have made a permanent retirement plan selection can roll over money into the STRS Ohio account from a traditional individual retirement account (IRA), Roth IRA, SEP-IRA, SIMPLE IRA, 403(b) plan, 457(b) plan, 401(a) qualified plan, including a 401(k) or Keogh plan. The funds rolled over will be 100% vested in the plan. These funds can also be used to purchase eligible military service.

Purchasing Service Credit

Members enrolled in the Defined Contribution Plan are not eligible to purchase service credit; however, you may make contributions on salary not earned if your teaching career is interrupted by military service. If the service is certified and a cost statement is issued by STRS Ohio before your retirement effective date, you have three months from your retirement date to pay the contributions, unless your retirement has become final.

Taxes

Under federal law, **STRS Ohio is required to withhold federal income tax** from taxable monthly benefits. You may elect to be excluded from the withholding requirement by filing an exemption form. If federal taxes are not withheld, you will be responsible for filing federal quarterly estimates.

- **If you are an Ohio resident**, benefits are subject to Ohio income tax and may be subject to school district income tax. Ohio income tax will be withheld upon request.
- **If you are a resident of another state**, the laws in that state govern your state tax liability. STRS Ohio cannot withhold tax for states other than Ohio.
- Benefit payments are **exempt from local or municipal taxes in Ohio**.

Optional Retiree-Funded Death Benefit

STRS Ohio's optional death benefit can help defray expenses incurred when an STRS Ohio service retirement benefit recipient dies.

Service retirement benefit recipients may purchase a death benefit of \$1,000 or \$2,000. This taxable benefit is optional and is funded by the benefit recipient through deductions from the regular monthly STRS Ohio pension.

To purchase a death benefit of either \$1,000 or \$2,000 at retirement, you must complete the appropriate section of your *Service Retirement Application*.

STRS Ohio website

Go to www.strsoh.org to access:

- Benefit information (while teaching and in retirement)
- Your Online Personal Account
- Videos and on-demand webinars
- Counseling and seminar information
- STRS Ohio publications and forms
- Benefit calculators

Online Service Retirement Application

Save time and submit your *Service Retirement Application* online using your Online Personal Account. Benefits and features of the online application include:

- Step-by-step instructions
- Flexibility to complete the application in stages
- First partial benefit payment on your retirement date (if you submit your application at least 30 days before)
- Processing status updates via your online account

Retirement Benefits Presentation

This presentation, available in the Videos section of the website, provides information pertaining to applying for retirement, the retirement benefit payment, employment after retirement and death benefits.

Online Account Features

As a retired member you will be able to access the following account features after STRS Ohio has completed the processing of your *Service Retirement Application*.

- Benefit check details
- Direct deposit information (view or change)
- Benefit recipient information (plan of payment, beneficiary, direct deposit information)
- Important documents
- Tax withholding information (view or change)
- Seminar registration
- Contact information (view or change)
- *Annual Statement of Account* (if reemployed and working in an STRS Ohio-contributing position)

eUPDATE

STRS Ohio uses its email news service to update members about legislation, benefits and other issues affecting the STRS Ohio membership. All members with an email on file with STRS Ohio receive the eUPDATE.

If you do not currently receive these emails and would like to stay abreast of STRS Ohio news, log in to your personal account and add your email address to your contact information or contact us toll-free at 888-227-7877.

State Teachers Retirement System of Ohio



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www.strsoh.org



STRS Ohio is created and governed by Chapter 3307 of the Ohio Revised Code. This document gives a general overview of STRS Ohio retirement benefits and is not intended to provide complete information about the laws that create STRS Ohio or about rights and benefits under STRS Ohio. For more complete or specific information, refer to Chapter 3307 of the Revised Code or contact us toll-free at 888-227-7877.