



Defined Contribution Plan Retirement Benefits

Information for Late Career Members

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If you are a Defined Contribution Plan participant who is approaching retirement, there is important information STRS Ohio would like you to be aware of regarding your retirement benefits.





What You Need to Know Before Retiring

- **Applying for retirement**
- **Retirement benefit payment**
- **Employment after retirement**
- **Death benefit**



Before you retire, you will want to know details pertaining to: applying for service retirement, your retirement benefit payment, stipulations on employment after retirement and a purchasable death benefit. This presentation provides information about these topics in hopes of better preparing you for a smooth transition into retirement.





Service Retirement Application: **Submit Three Months Before Retirement**



- **Online application**
 - Access via Online Personal Account
 - 90 days for changes and to submit
 - Summary provided
 - Ability to check status

Complete and submit your *Service Retirement Application* online at least three months, but no earlier than 12 months, before your retirement date. The application is accessible using your Online Personal Account.

You will have 90 days from when you begin the application to complete and submit it. You can also view and print a summary of your selections and check the processing status of your application.





Receiving Payment on Your Retirement Date



- **Application must be received by STRS Ohio 30 days before retirement date**
- **Partial payment(s) may be issued**
- **Balance paid as catch-up payment**
 - Difference between partial payment and full regular benefit payment amounts

To receive a benefit payment on your retirement date, your application needs to be received by STRS Ohio at least 30 days before.

If your benefit amount is not calculated by your retirement date, a partial payment may be issued. Most members receive three or more partial payments. Once your benefit is finalized, you will receive a catch-up payment for the amount difference between the partial payments and your full regular benefit.





Payment Options: Rollover, Lump-Sum Withdrawal or Monthly Payments

- **Monthly payments: direct deposit**
- **Deposited first banking day of the month**
 - Not always first day of the month
- **Notifications: changes in benefit payment amount or banking information**



When you retire, you can take payment through a rollover, a lump-sum withdrawal or regular monthly payments.

If you opt to take monthly payments, the direct deposit of benefit payments occurs on the first banking day of the month, which is usually the first day of the month. The exception is when the first banking day falls on a holiday or weekend.

STRS Ohio will notify you by email following any changes to your banking information or monthly benefit amount, including every January and when your first regular benefit payment occurs.





View Payment Details in Online Personal Account

- **Monthly benefit payment details provided if applicable**
- **Recipient Account page**
 - Under Payment History



Your monthly benefit payment details, if applicable, will be available in your Online Personal Account. You will be able to view the account features for a benefit recipient after STRS Ohio has completed the processing of your *Service Retirement Application*. At that time, you will be able to access your payment history on the Recipient Account page of your online account.





Retirement Benefits Are Taxable

- **Federal income tax**
 - Withheld unless exemption form filed
- **Ohio residents**
 - State and possibly school district income tax
 - Exempt from local and municipal taxes
- **No withholding for other states**



STRS Ohio provides 1099-R form annually

STRS Ohio is required to withhold federal income tax from taxable monthly benefits. Filing an exemption form does not remove tax obligations. If federal taxes are not withheld, you must file quarterly estimates.

Upon request, STRS Ohio withholds Ohio income tax for Ohio residents. Benefits are subject to Ohio income tax and potentially local school district income tax, but not local or municipal taxes.

The laws in the state where you reside govern your state tax liability. STRS Ohio cannot withhold tax for states other than Ohio.

Every January, STRS Ohio will provide a 1099-R form for monthly benefits showing your gross benefits and the taxable amount.



Employment After Retirement



- **A two-month wait**
- **Position covered by:**
 - STRS Ohio
 - Ohio Public Employees Retirement System (OPERS)
 - School Employees Retirement System (SERS)
 - Ohio Police & Fire Pension Fund
 - Highway Patrol Retirement System
 - City of Cincinnati Retirement System



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

If you are employed by one public employer at retirement, you cannot work during the first two months of retirement in a position covered by any of the Ohio public retirement systems.

Violation of reemployment provisions will result in forfeiture of retirement benefits for the months worked.



Death Benefit May Be Purchased



- **\$1,000 or \$2,000**
- **Under age 65 at retirement**
 - Can purchase or increase benefit at age 65
- **Age 65 or older at retirement**
 - Can only purchase at retirement

An STRS Ohio death benefit may help defray expenses incurred when an STRS Ohio service retirement benefit recipient dies.

You may purchase a death benefit of either \$1,000 or \$2,000 when applying for retirement benefits. If you are under age 65 when you retire, you may purchase or increase your death benefit three months before your 65th birthday. If you are age 65 or older when you retire, this will be your only opportunity to purchase a death benefit.





Death Benefit Is Paid Upon Benefit Recipient's Death

- **Beneficiary**
 - Designated when applying for benefits
 - May be changed at any time through your Online Personal Account
- **Premium deducted from monthly benefit payment**

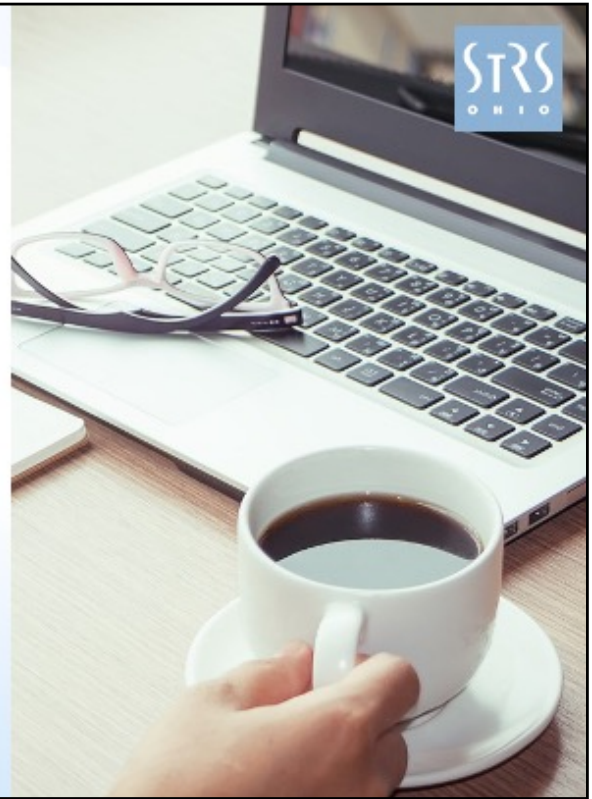
The death benefit is paid to your beneficiary upon your death. The beneficiary is designated when applying for retirement benefits and may be changed at any time through your Online Personal Account.

If you elect to purchase a death benefit, the premium is deducted from your monthly benefit payment.



Online Account Features

- **UPDATE** contact information
- **VIEW** benefit payment details
- **CHANGE** direct deposit information
- **REGISTER** for member education programs
- **CHANGE** beneficiaries



In retirement, you can log in to your Online Personal Account on the STRS Ohio website to update contact information, view benefit payment details, change direct deposit information, register for member education programs, change beneficiaries and much more.





STRS
OHIO

We Will Keep You Informed

- Newsletters
- www.strsoh.org
- *eUPDATE* email news service

As you approach retirement, please contact STRS Ohio if you have any questions. We will continue to keep you informed about issues affecting STRS Ohio members via our newsletters, website, *eUPDATE* email news service and social media channels.

If you are meeting with an STRS Ohio benefits counselor, please complete and return the satisfaction survey you will receive following your appointment.

