

Applying for Service Retirement Booklet

Providing forms and instructions to assist you with the retirement application process

Member Resources

Benefit Information and Planning Resources

VRS Web site at www.varetire.org:

- *myVRS*, a secure online system providing benefit estimating and retirement planning tools and information from your member record.
- Benefit information, forms and publications, including the *Handbook for Members*.
- Member Webinars, Retirement Education Seminars and Group Counseling Sessions with online registration.

One-on-one counseling:

- Talk with a counselor about your retirement options, applying for retirement and retiree benefits. Counseling is held at VRS at 1200 East Main Street in downtown Richmond on a first-come first-served basis. The hours are 8:30 a.m.-5 p.m., Monday through Friday. See www.varetire.org for directions to VRS.

VRS Contact Information

Toll free: 1-888-VARETIR (1-888-827-3847)

E-mail: vrs@varetire.org

Important e-mail notice: Do not send personal or confidential information, such as your Social Security number, via e-mail. VRS will send only non-confidential replies.

Mailing address: Virginia Retirement System, P.O. Box 2500, Richmond, VA 23218-2500

Fax number: 804-786-9718

Other Key Contacts

American Association of Retired Persons:
1-888-OUR-AARP (1-888-687-2277); www.aarp.org

Anthem Blue Cross/Blue Shield: 1-800-552-2682;
www.anthem.com

Commonwealth of Virginia 457 Deferred Compensation Plan: 1-VRS-DC-PLAN1 (1-877-327-5261);
www.varetire.org (select the "Defined Contribution Plans" tab)

Group Life Insurance Program: Minnesota Life,
1-800-441-2258

Federal Public Safety Officers' Benefits Act:
1-888-744-6513; www.ojp.gov/BJA

Internal Revenue Service: 1-800-829-1040; www.irs.gov

Medicare: 1-800-633-4227; www.medicare.gov

Social Security Administration: 1-800-772-1213;
www.ssa.gov

Virginia Department for the Aging: 1-800-552-3402;
www.vda.virginia.gov

Virginia Department of Human Resource Management:
804-225-2131; www.dhrm.virginia.gov

Virginia Department of Taxation: 804-367-8031;
www.tax.virginia.gov

Virginia Line of Duty Act, Virginia Department of Accounts:
804-225-3038; www.doa.virginia.gov

Virginia Sickness and Disability Program (VSDP): Unum,
1-800-652-5602

Virginia Sickness and Disability Program Long-Term Care Plan: Long Term Care Group, Inc., 1-800-761-4057

Virginia Workers' Compensation Commission:
1-877-664-2566; www.vwc.state.va.us

Table of Contents

SECTION	PAGE
1. Retirement Basics	
About Your Plan	2
Benefit Payout Options	2
Retirement Eligibility at a Glance	3
2. Applying for Retirement	
Retirement Date	6
Forms and Documents	6
Employer Certification	7
Retirement Certificate	7
3. After You Retire	
Receiving Your Benefit	8
Look up Your Retiree Information through <i>myVRS</i>	8
Group Life Insurance Coverage in Retirement	9
Health Insurance Credit	10
Working after Retirement	10
4. Retirement Readiness Checklist	11
5. Application Instructions and Forms	12

NOTE

The information contained in this document is governed by Title 51.1 of the *Code of Virginia*. This information is intended to be general. It cannot be complete in all details and cannot supersede or restrict the authority of the *Code of Virginia*, which may be amended from time to time.

1. Retirement Basics

WHAT IS COVERED EMPLOYMENT?

Covered employment is a full-time salaried, permanent position with an employer that participates in VRS, which includes the State Police Officers' Retirement System (SPORS), the Virginia Law Officers' Retirement System (VaLORS) and the Judicial Retirement System (JRS). Some part-time salaried, permanent state positions also are covered under VRS.

About Your Plan

Your retirement plan is a defined benefit plan. The defined benefit plan provides a lifetime monthly benefit based on your age, total years of service credit and average final compensation. Average final compensation is the average of the 36 consecutive months of highest compensation in your history of covered employment.

You become eligible for a retirement benefit when:

- You are vested. Vesting is the minimum length of service needed to qualify for retirement. Under VRS, you become vested when you have five years of service credit as a covered employee; and
- You meet the age requirements for an unreduced or reduced retirement benefit.

Benefit Payout Options

When you apply for retirement, you elect how you want to receive your benefit. The payout options are the Basic Benefit, Survivor Option, Partial Lump-Sum Option Payment (PLOP) and Advance Pension Option. **The option you elect is irrevocable**, meaning you cannot change it once you retire, with the exception of the Survivor Option under certain conditions.

Basic Benefit

The Basic Benefit is calculated using your years of service credit and average final compensation at retirement. The Basic Benefit does not provide a continuation of a benefit to a survivor upon your death. You can elect this option with the Partial Lump-Sum Option Payment (PLOP).

Survivor Option

With this option, you elect to receive a lower monthly benefit during your lifetime so that your survivor can receive a lifetime monthly benefit after your death. You can elect this option with the PLOP. You

Continued on page 4

Retirement Eligibility at a Glance

	Normal Retirement Age	Earliest Unreduced Retirement Eligibility	Earliest Reduced Retirement Eligibility¹
State employees, teachers and political subdivision employees covered under the Virginia Retirement System (VRS)	65	Age 65 with at least 5 years of service credit Age 50 with at least 30 years of service credit	Age 55 with at least 5 years of service credit Age 50 with at least 10 years of service credit
Hazardous duty employees covered under the State Police Officers' Retirement System (SPORS), ² the Virginia Law Officers' Retirement System (VaLORS) and VRS ³	60	Age 60 with at least 5 years of service credit Age 50 with at least 25 years of service credit	Age 50 with at least 5 years of service credit
Judges and other eligible employees covered under the Judicial Retirement System (JRS)	65	Age 65 with weighted service equal to at least 5 years of service credit Age 50 with weighted service equal to at least 30 years of service credit	Age 55 with weighted service equal to at least 5 years of service credit Age 50 with weighted service equal to at least 10 years of service credit

¹To determine the reduced benefit, VRS applies an early retirement reduction factor to the benefit you would receive if you retired with an unreduced benefit.

²Members of SPORS who were not working in a covered position on June 30 and July 1, 2002 must be credited with at least five years of service credit while covered in an eligible hazardous duty position under SPORS, VaLORS or VRS to retire under these enhanced provisions.

³Full-time salaried, sworn VRS-covered sheriffs, deputy sheriffs and jail superintendents and sworn officers of regional jails are eligible for enhanced benefit coverage for hazardous duty. Participating political subdivisions may elect to provide enhanced benefits to other hazardous duty employees, including full-time, salaried sworn law enforcement officers, firefighters and emergency medical technicians.

HAZARDOUS DUTY SUPPLEMENT

If you are a hazardous duty employee, you may be eligible for a supplement to your retirement benefit. For more information, contact your human resource office, review your *Handbook for Members* or visit the VRS Web site at www.varetire.org.

CHANGING YOUR SURVIVOR

If you elect the Survivor Option and need to change your survivor after you retire, call VRS toll free at 1-888-VARETIR (1-888-827-3847) for assistance. You cannot use the Designation of Beneficiary (VRS-2). The VRS-2 is for changes to beneficiary designations for payment of member contributions and interest and life insurance benefits.

choose a whole percentage of your benefit, between 10 percent and 100 percent, to go to your survivor. Your benefit amount is based on this percentage, your age and the age of your survivor at retirement.

You can name anyone as your survivor, whether or not the individual is your spouse or another family member. However, the Internal Revenue Service (IRS) limits the percentage that may go to a non-spouse survivor.

You may revert to the Basic Benefit or name a new survivor if:

- Your survivor dies;
- Your survivor is your spouse and you divorce with fewer than 20 years of marriage;
- Your survivor is your spouse, you divorce after 20 or more years of marriage and your spouse dies, remarries or consents in writing to a change in benefit; or
- You provide VRS a written consent from your survivor giving up claim to a benefit along with proof of your survivor's good health.

Note: If you are divorced and VRS has an Approved Domestic Relations Order (ADRO) on file, your benefit must be paid as directed by the ADRO.

TAXES ON THE PLOP

The PLOP is subject to federal income tax of 20 percent and, if you live in Virginia, state income tax of 4 percent. You can roll over some or all of the PLOP to an Individual Retirement Account (IRA) or another qualified plan. Read the IRS 402(f) Special Tax Notice on the VRS Web site at www.varetire.org, contact a tax advisor or contact the IRS toll free at 1-800-829-1040 or www.irs.gov.

Partial Lump-Sum Option Payment (PLOP)

If you work at least one year beyond the date you are first eligible for an unreduced retirement benefit, you may elect to receive a one-time Partial Lump-Sum Option Payment (PLOP). This option reduces your monthly benefit. You can elect this option with the Basic Benefit or Survivor Option.

The amount of the PLOP is based on your annual retirement benefit amount and how long you work beyond your unreduced retirement eligibility date, as shown on the next page.

You must be an active member during the period beyond the date you first become eligible for an unreduced retirement benefit to be eligible to elect the PLOP at retirement. Prior service credit or granted service credit (except granted military leave) may not substitute for service as an active member.

PARTIAL LUMP-SUM OPTION PAYMENT AMOUNTS

Active Service Beyond Unreduced Retirement Eligibility	PLOP Payment	Example <i>Annual Basic Benefit amount = \$32,000</i>
12 months	1 x annual Basic Benefit amount (one-year PLOP)	\$32,000
24 months	1 or 2 x annual Basic Benefit amount (one- or two-year PLOP)	\$32,000 or \$64,000
36 months or more	1, 2 or 3 x annual Basic Benefit amount (one-, two- or three-year PLOP)	\$32,000, \$64,000 or \$96,000

Advance Pension Option

With this option, you elect to temporarily increase your monthly benefit until an age you choose, between age 62 and the age you are entitled to full Social Security benefits. At that point, your VRS benefit is permanently reduced.

To calculate the Advance Pension Option, VRS adds a percentage of your estimated monthly Social Security benefit to your monthly VRS benefit to arrive at the increased benefit amount. The amount of the percentage is based on several factors, including your age at retirement and the age you want your increased benefit to permanently reduce.

When the temporary increase ends, your benefit is reduced by the amount of your full Social Security benefit. However, it will never be reduced by more than 50 percent of your Basic Benefit amount.

The Advance Pension Option does not affect the amount of your Social Security benefit. You also may draw Social Security whenever you are eligible for it, regardless of the age you choose for your VRS benefit to reduce. Neither the temporary increase nor permanent reduction in your VRS benefit will change.

The Advance Pension Option does not provide a continuation of a benefit to a survivor upon your death. You cannot elect this option with other payout options. You may be eligible to elect the Advance Pension Option with a reduced benefit. Contact your human resource office for more information.

SOCIAL SECURITY ESTIMATE

If you elect the Advance Pension Option, you must provide VRS a copy of your Personal Earnings and Benefit Estimate Statement (PEBES) from the Social Security Administration. The estimate must be less than 12 months old, assume you will have no future earnings after leaving covered employment and be based on your Social Security earnings record.

To request this statement, complete Form SSA-7004 available from the Social Security Administration. For more information, call toll free 1-800-772-1213, visit www.ssa.gov or contact your local Social Security Administration office.

2. Applying for Retirement

Retirement Date

The effective date of retirement is the first day of the month in which you wish to retire. To begin receiving your benefit payments in a timely manner, submit your application and all required documents to your employer at least 90 days, but not more than six months, before you want to retire.

Example: If you wish to retire on July 1, submit your application by April 1. Your last day of work will be June 30. You will receive your first benefit payment on August 1 for the month of July.

INSTRUCTIONS AND FORMS

The back of this booklet provides the following forms:

- Application for Service Retirement (VRS-5)
- Request for Income Tax Withholding (VRS-15)
- Authorization for Direct Deposit of Monthly Benefit (VRS-57)

These and other retirement forms also are available on the VRS Web site at www.varetire.org. Most forms are fillable. Select the "fillable" version, complete it online and then print and sign it before submitting.

Forms and Documents

Read the directions on all forms carefully, and provide all signatures and required documents. An incomplete or incorrect application will delay the processing of your retirement.

Your retirement application must include:

- Application for Service Retirement (VRS-5). Include acceptable legible evidence of your date of birth, such as a copy of your birth certificate. If applicable, have your spouse complete the spousal acknowledgement section. Your spouse must sign on or after the date you sign the application.
- Designation of Beneficiary (VRS-2) to ensure your beneficiary designation is up to date. If you elect the Survivor Option, you must submit the VRS-2 to designate a beneficiary for life insurance benefits. You may name your survivor or another individual as your beneficiary.
- Request for Income Tax Withholding (VRS-15).
- Authorization for Direct Deposit of Monthly Benefit (VRS-57).
- State Health Benefits Enrollment Form for Retirees, Survivors and VSDP/LTD Participants if you are a state employee. You must submit this form whether you are electing or waiving coverage. You have up to 31 days from your retirement date to elect state retiree health insurance coverage. For more information about the program, visit the Department of Human Resource Web site at www.dhrm.virginia.gov.

- If you are a teacher or political subdivision employee, contact your human resource office about retiree health insurance your employer may offer. Some employers have arranged with VRS to deduct the health insurance premiums from the monthly benefit payment.

Other forms and documents you may need:

- If you are electing the Survivor Option, acceptable legible evidence of your survivor's date of birth.
- Request for Health Insurance Credit (VRS-45) if you are eligible for the credit and VRS will not be deducting your health insurance premiums from your monthly benefit payment. For more information, see Section 3-After You Retire.
- VSDP Long-Term Care Plan Authorization of Coverage Retention (VRS-170) and VSDP Long-Term Care Plan Protection Against Unintentional Lapse (VRS-171) if you participate in VSDP and wish to continue your long-term care coverage into retirement. You pay the premiums. For the forms and more information, go to the VRS Web site at www.varetire.org or call the Long Term Care Group, Inc. toll free at 1-800-761-4057.

Employer Certification

Submit your completed application, including all required documents, to your human resource office. Your employer will review your application, complete the employer certification section and submit your application to VRS.

Note: If you are submitting your application after 12 months from the date you leave employment or if you are retiring after being on long-term disability through the Virginia Sickness and Disability Program (VSDP), submit your application directly to VRS.

Retirement Certificate

Once your application has been processed, you will receive a retirement certificate and the *Retiree Handbook*. The retirement certificate outlines your benefit payment and life insurance information. Keep your certificate and handbook for future reference.

APPLYING FOR DISABILITY RETIREMENT?

If you are applying for VRS disability retirement and qualify for an unreduced or reduced service retirement benefit, you can submit an Application for Service Retirement (VRS-5). VRS will determine if you can begin receiving a service retirement benefit while your disability retirement application is pending. For more information, see the *Application for Disability Retirement Booklet* available on the VRS Web site at www.varetire.org.

MANDATORY RETIREMENT DISTRIBUTION

If you are eligible for retirement but not currently employed and you have not applied for retirement by April 1 following the calendar year in which you turn age 70½, VRS is required by law to pay you a retirement benefit. Your benefit will be paid as a Basic Benefit.

VRS is not required to pay benefits retroactively. Keep VRS informed of address changes by submitting the Name/Address Declaration for Deferred Members (VRS-3A). The form is available at www.varetire.org.

3. After You Retire

LOOK UP YOUR RETIREE INFORMATION THROUGH *myVRS*

- See your monthly benefit amount, when it is deposited and benefit payment history. Confirm your bank account information.
- See your COLAs and income tax deductions. Use an online tax tool to submit changes to your withholding to VRS.
- Review your health insurance premium deductions and health insurance credit amount, if eligible, as well as your current life insurance amount.
- Update your address.
- Print income verification information and tax documents for income tax filing purposes.

After you retire, VRS will send you a one-time *myVRS* authentication code. To create your secure retiree online account, go to the VRS Web site at www.varetire.org and select the *myVRS* logo from the Retiree tab.



Receiving Your Benefit

Direct Deposit

VRS deposits your benefit payment directly to the account you designate on the Authorization for Direct Deposit of Monthly Benefit (VRS-57), which you submit with your retirement application. The deposit is made on the first of the month for the preceding month's benefit. If the first falls on a weekend or holiday, the deposit is made on the last business day of the preceding month.

Cost-of-Living Adjustments

Cost-of-living adjustments (COLAs) go into effect on July 1 of the second calendar year after you retire and are effective each July 1 thereafter. Under current law, COLAs cannot exceed 5 percent.

Example: If you retire on September 1, 2010, your first COLA will be effective July 1, 2012 and begin with your August 1, 2012 benefit payment.

Social Security

As a Virginia public employee, you are eligible for Social Security benefits. You may be eligible for a reduced Social Security benefit as early as age 62. For more information, call the Social Security Administration toll free at 1-800-772-1213, visit www.ssa.gov or contact your local Social Security Administration office.

Taxes

Your retirement benefit is subject to federal income taxes and state income taxes if you live in Virginia or another state that taxes income.

After you retire, you will receive an IRS Form 1099-R from VRS each January. You file this form with your income tax returns. The 1099-R shows the total amount of your VRS benefit for the previous year, taxable amount of your benefit, taxes withheld during the previous year and health insurance premiums, less the amount of your health insurance credit if you are eligible (see "Health Insurance Credit" in this section).

Group Life Insurance Coverage in Retirement

Basic Group Life Insurance

If you are covered under the Basic Group Life Insurance Program when you retire, a portion of your coverage will continue into retirement at no cost to you. Benefits include:

- Death benefit equal to twice your compensation at retirement. If you retire with 20 or more years of service credit, the death benefit is equal to twice your highest compensation as a covered employee, even if your final salary is lower.
- Accelerated death benefit option.

The provisions that allow for double the natural death benefit for accidental death and for accidental dismemberment end upon retirement.

Your coverage begins to reduce by 25 percent beginning the January 1 following one calendar year of retirement. It continues to reduce by 25 percent each January 1 until it reaches 25 percent of its original value.

Example: If you retire on September 1, 2010, your first 25 percent reduction will occur on January 1, 2012. It will continue to reduce each January 1 until it reaches 25 percent of its original value.

Optional Group Life Insurance

If you have optional group life insurance coverage, you may continue a portion of your coverage into retirement provided you, as well as your spouse and dependent children if you enroll them in the program, are continuously covered during the 60 months preceding your retirement. Optional life insurance amounts begin to reduce at age 65; coverage ends at age 80.

You have the option to convert your coverage to an individual policy. You pay the premiums. Submit a Conversion of Group Life Insurance Enrollment (VRS-35E) to Minnesota Life. The form is available at www.varetire.org. You must apply within 31 days of retirement. This option is not available after 31 days.

MORE INFORMATION

For more information about the **Group Life Insurance Program**, review your *Handbook for Members* or visit the VRS Web site at www.varetire.org.

VRS has contracted with Minnesota Life as the third-party administrator for the Group Life Insurance Program. For information about your coverage, call Minnesota Life toll free at 1-800-441-2258 or write to P.O. Box 1193, Richmond, Virginia 23218-1193.

IF YOU ARE ON VSDP LONG-TERM DISABILITY

If you are on long-term disability through the Virginia Sickness and Disability Program (VSDP), you are eligible for the maximum health insurance credit amount. When you retire, you must have at least 15 years of service credit to qualify for the health insurance credit as a retiree. The monthly amount will be based on your service credit at retirement.

MORE INFORMATION

For more information about **working after retirement**, including teaching in a non-covered position and K-12 critical shortage positions, review your *Handbook for Members* or go to the VRS Web site at www.varetire.org. Select "Working after Retirement" from the Retiree tab.

Health Insurance Credit

If you retire with at least 15 years of service credit, you may be eligible for the health insurance credit. This benefit is a tax-free reimbursement to assist with the portion of health insurance premiums you pay for single coverage. The credit is a dollar amount set by the General Assembly for each year of service credit.

If VRS will be deducting your health insurance premiums from your monthly benefit payment, you do not need to apply for the health insurance credit. If you are eligible, VRS will apply the credit automatically. For any premiums VRS will not be deducting, submit the Request for Health Insurance Credit (VRS-45) with your retirement application. The form and additional information, including health insurance credit amounts, are available at www.varetire.org.

Working after Retirement

If you retire and then return to covered employment with a VRS-participating employer, your retirement benefit will end and you will become an active member. In many cases, you can continue to receive your retirement benefit if you work in a temporary, hourly or other non-covered position with a participating employer.

If you return to non-covered employment with the same employer, you must have a bona fide break in service of at least one full calendar month after your retirement date over a period you normally would work to continue receiving your benefit. Your employer can make no verbal or written offer of reemployment before you retire. You and your employer must certify that no such prearrangement has been made on the Application for Service Retirement (VRS-5).

Public school divisions and political subdivisions are considered separate employers. However, the Commonwealth of Virginia, including all state agencies and public colleges and universities, is considered the same employer.

Note: If you want to work after you retire, contact VRS to determine the effect of accepting covered or non-covered employment on your retirement benefit. Also contact the Social Security Administration toll free at 1-800-772-1213 about the effect of earnings during retirement on your eligibility for Social Security.

4. Retirement Readiness Checklist

DURING YOUR CAREER

- Create a *myVRS* member online account through the VRS Web site at www.varetire.org.
- Use the *myVRS* Retirement Planner to see if you are on track for saving for retirement. If you participate in the Commonwealth of Virginia 457 Plan, your contributions will display in the planner. You also can enter tax-deferred savings from other plans. Use the planner to see the impact of increasing your contributions and investment return scenarios.

PLANNING FOR RETIREMENT

- Use the *myVRS* Benefit Estimator to create retirement benefit estimates based on different retirement dates and benefit payout options.
- Use the *myVRS* Retirement Planner to estimate your income and expenses in retirement. You can include estimates you create in the Benefit Estimator.
- Attend the Retirement Education Seminars. If you are within five years of retirement, also attend a Group Counseling Session. Online registration is available at www.varetire.org.
- Let your human resource office know your retirement plans at least six months before the date you wish to retire.

90-120 DAYS BEFORE YOUR RETIREMENT DATE

- Apply for retirement.
- If you participate in the Virginia Sickness and Disability Program (VSDP) and have disability credits to convert to service credit, submit the VSDP Conversion of Disability Credits (VRS-5A) to VRS.

- If you participate in VSDP, decide if you want to continue your VSDP long-term care coverage into retirement. VSDP long-term care forms are available at www.varetire.org.
- If you have eligible prior service and want the credit applied to your benefit calculation, submit an Application for Purchase of Prior Service Credit (VRS-26) now. If you are eligible for a payment of any unused sick leave, you can have the payment applied to your purchase. More information about purchase of prior service is available from your *Handbook for Members* or www.varetire.org.
- If you participate in the Optional Group Life Insurance Program, decide whether to continue or convert your coverage upon retirement. For more information, call Minnesota Life toll free at 1-800-441-2258.
- If you are a state employee, submit the State Health Benefits Enrollment Form for Retirees, Survivors and VSDP/LTD Participants with your retirement application, whether you are electing or waiving coverage.

IMMEDIATELY FOLLOWING RETIREMENT

- Create a *myVRS* retiree online account. VRS will send you a one-time authentication code in the mail shortly after you retire, which you will use to set up your secure online account.
- If you are a state employee and wish to enroll in the State Retiree Health Benefits Program, you must apply within 31 days of your retirement date.
- If you participate in VSDP and wish to continue your VSDP long-term care coverage into retirement, you must apply within 60 days of your retirement date.

5. Application Instructions and Forms

Application for Service Retirement (VRS-5)

To avoid processing delays, print or type your information and ensure all items are completed.

MEMBER RESPONSIBILITIES: COMPLETE PARTS A THROUGH D

- Box 1-10: Enter your personal information. In Box 2, check whether this is your original application or if you are submitting a revised application.
- Box 11: Enter the date you plan to retire (the first of any month after your employment is terminated).
- Box 12: If you check yes, the purchase must be completed while you are actively employed and no later than your date of termination. Your benefit cannot be calculated until payment for the purchase is submitted to VRS.
- Box 13: If you check yes, complete the VRS-26F and include it with this application. Your benefit cannot be calculated until payment for the purchase is submitted to VRS.
- Box 14: If you check yes, complete the VSDP Conversion of Disability Credits (VRS-5A) and provide it to your employer for signature. The VRS-5A must be submitted to VRS with this application. (State employees only.)
- Boxes 15-16: You must terminate all full-time and part-time positions that are covered by VRS to receive a monthly retirement benefit. At the time of retirement, you must also terminate work in any part-time positions not covered under VRS for the employer from which you are retiring.
- Box 18: Choose one payout option. Refer to your Handbook for Members to determine which option will meet your retirement goal.
- Box 19: If you chose the Advance Pension Option in Box 18, enter the age at which you want your temporarily increased VRS benefit to be reduced. You must choose an age of at least 62 years, but no later than your normal retirement age as defined by the Social Security Act. You must include an estimate from the Social Security Administration reflecting the amount you would receive from them at the age you choose on your retirement application. The estimate, for VRS purposes, must be less than 12 months old, be prepared assuming you will have no future earnings after leaving your VRS-covered position, and be based on your Social Security Earnings Record. Additional information about this option will be sent when your application is processed.
- Boxes 20-21: Complete Box 20 only if you chose a payout option that includes a partial lump-sum payment. Indicate the number of months on which the amount is to be based. For a 12-month payment, you must work at least one year beyond the date you are first eligible for an unreduced retirement benefit. For a 24-month payment you must work at least two years beyond the date you are first eligible for an unreduced retirement benefit. For a 36-month payment, you must work at least three years beyond the date you are first eligible for an unreduced retirement benefit. Complete Box 21 to let VRS know if you intend to roll the PLOP payment into an Individual Retirement Account (IRA) or other qualified plan. Additional information regarding your rollover options will be sent once your application for retirement has been processed.
- Boxes 22-27: Complete these boxes only if you choose a survivor option in Part B. If you choose a survivor option, you must send a legible copy of your survivor's birth certificate with this application.

Box 28: Carefully read the certification statement. Sign and date the application. Your signature certifies that you will repay benefits in excess of those to which you are entitled. It also certifies that you understand that you cannot return to work in a part-time position working for the employer from which you retired without first incurring the required break in service.

If you are unable to complete the application and you select a payout option other than the Basic Benefit in Part B, an individual authorized to make testamentary changes on your behalf may complete your application. Authorized individuals include: a court-appointed Guardian or Committee; an Attorney-in-Fact named in a Durable Power of Attorney; or an individual specifically authorized by a court order to do so. A copy of the document providing such authorization must be presented to VRS for review before the application can be processed. If the application is not signed and dated, it is not valid and a new one must be completed. This may delay your first payment.

Box 29: If you checked Married or Separated in Box 7, your spouse must sign and date the application on or after the date you sign; otherwise, a new application must be completed. If you are unable to obtain your spouse's signature, contact VRS for additional information.

Request for Income Tax Withholding (VRS-15)

If a completed tax form is not on file, VRS withholds federal income tax based on the rate for a married individual claiming three exemptions and state income tax based on the rate for zero exemptions.

Part A: Enter your personal information.

Parts B and C: Choose one federal tax withholding option and one state tax withholding option. If you choose the second option of either type, enter the appropriate information about your marital status, the number of exemptions, and any additional amount that you want withheld.

Authorization for Direct Deposit of Monthly Benefit (VRS-57)

This form authorizes VRS to transfer funds electronically to your financial institution.

Boxes 1-4: Enter your personal information.

Boxes 5-7: Provide information about your financial institution.

Tape a voided check onto the lower portion of the form. VRS cannot accept hand-written account information.

Additional Documentation

- Include a readable copy of your birth certificate. If your birth certificate does not include your full given name and birth date, you must provide other legal documentation. Your application cannot be processed without this document.
- Include a readable copy of your survivor's birth certificate if you chose a survivor option. If your survivor's birth certificate does not include a full given name and birth date, provide other legal documentation.
- If you intend to purchase service credit with your sick leave payment or convert disability credit to service credit, request the appropriate forms from your benefits administrator and ensure they are completed and submitted with your application.
- If you elect the Advance Pension Option, submit your estimate from the Social Security Administration for the age you choose for your benefit to decrease. This statement must be dated within 12 months of your effective date of retirement.

- Have your employer complete Part E of this application if you are currently employed in a covered position or have been within the last 12 months. If you are on VSDP long-term disability, send the application directly to VRS for certification.
- Complete and submit the Authorization for Direct Deposit of Monthly Benefit (VRS-57) and the Request for Income Tax Withholding (VRS-15). Processing of your retirement application is delayed if the VRS-57 is not completed and submitted with your application.

Employer Responsibilities

Complete Part E. (To avoid processing delays, print or type your information and ensure all items are completed.)

After completing Part E:

- Verify the application has been completed in its entirety, signed and dated as required.
- If the member answered yes to the questions in Boxes 13 or 14 in Part A, ensure the appropriate forms are completed and submitted with the application.
- Review the birth certificate (and the survivor's birth certificate if applicable) to ensure it is readable.
- Ensure the member has included an Authorization for Direct Deposit of Monthly Benefit (VRS-57) and a Request for Income Tax Withholding (VRS-15).
- If the member needs to apply for a health insurance credit, ensure the Request for Health Insurance Credit (VRS-45) is completed and submitted with this application. If the member's health insurance premium will be paid through VRS payroll deduction, do not complete a VRS-45. If the member has additional health insurance premiums to apply toward the credit, the VRS-45 must be completed and submitted with this application.
- For State Employees:
 - If an employee is retiring under the Involuntary Workforce Transition Act of 1995, complete both pages of the Employer Certification of Involuntary Separation under the Workforce Transition Act (VRS-11) and submit it along with the VRS-5.
 - If an employee takes an immediate retirement and chooses to enroll in the State Retiree Health Benefit Program, ensure the Health Enrollment/Waiver form is completed and submitted within 31 days of the retirement date. (This form must be signed and returned to VRS even if the employee is waiving coverage.)
 - If an employee has disability credits remaining under the VSDP and wants to convert them to service credit, ensure the VSDP Conversion of Disability Credits (VRS-5A) is completed and submitted.
- Mail the *original* Application for Service Retirement and all other required documents to VRS. A copy of the application cannot be processed.

APPLICATION FOR SERVICE RETIREMENT

VIRGINIA RETIREMENT SYSTEM
 P.O. Box 2500
 Richmond, Virginia 23218-2500
 Toll Free 1-888-VARETIR (827-3847)
www.varetire.org

1. Social Security Number
2. Check One <input type="checkbox"/> Original Application <input type="checkbox"/> Revised Application

PART A. MEMBER INFORMATION

3. Name (First) (MI) (Last) (Jr./Sr.)			
4. Address (Street) (City) (State) (Zip+4)			
5. Are you a Virginia resident? <input type="checkbox"/> Yes <input type="checkbox"/> No		6. Are you a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No	
7. Marital Status <input type="checkbox"/> Never Married <input type="checkbox"/> Married or Separated <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced – Date of Divorce _____ (mm/dd/yyyy)			
8. Home Phone Number		9. Daytime Phone Number	
10. Birth Date (mm/dd/yy)		11. Retirement Date (mm/01/yy)	
12. Do you intend to make a lump-sum purchase of service credit prior to retirement?			<input type="checkbox"/> Yes <input type="checkbox"/> No
13. Will you be purchasing service credit with your sick leave payment?			<input type="checkbox"/> Yes <input type="checkbox"/> No
14. VSDP Participants Only: Will you be converting disability credit to service credit when you retire?			<input type="checkbox"/> Yes <input type="checkbox"/> No
15. Will you be terminating all full-time employment with employers participating in VRS as of your retirement date? (See instructions for more information)			<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Will you be terminating all part-time employment with the employer from which you are retiring as of your retirement date? (See instructions for more information)			<input type="checkbox"/> Yes <input type="checkbox"/> No

17. SSN

PART B. PAYOUT OPTION SELECTION

18. Retirement Payout Options (Choose One)

- Basic Benefit
- Basic Benefit with a Partial Lump-Sum Option Payment (PLOP)
- Advance Pension Option
- Survivor Option with _____ % payable to survivor
- Survivor Option with _____ % payable to survivor, and a Partial Lump-Sum Option Payment (PLOP)

19. Advance Pension Option If you chose this option above, enter the age at which you want your retirement benefit to decrease:

20. PLOP If you chose a payout option with a PLOP payment above, choose the number of months for the payment:

- 12 months
- 24 months
- 36 months

21. If you chose a PLOP payment above, do you intend to roll the funds into an IRA or other qualified plan?

- Yes
- No

PART C. SURVIVOR INFORMATION

Complete Part C **ONLY** if you chose a Survivor Option in Part B.

22. Survivor's Name (First) (MI) (Last) (Jr./Sr.)			
23. Relationship <input type="checkbox"/> Spouse <input type="checkbox"/> Other		24. Survivor's Birth Date (mm/dd/yy)	
25. Survivor's SSN	26. Is your survivor a U.S. Citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No	27. Survivor's Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	

PART D. CERTIFICATION

28. Member Certification

I hereby certify: 1) All information I provide in this document is true and I understand that any willful falsification of facts presented may result in prosecution as provided by law, 2) I have read and understand the service retirement information in the *Handbook for Members*, 3) I will terminate all full-time positions prior to my retirement, and 4) I will not return to work in a part-time position with my current employer following my retirement date for at least one full calendar month during which I would normally work. Additionally, I agree that, in the event that VRS pays retirement benefits in excess of those to which I am entitled, I or my estate will repay the excess to VRS. By signing this form, I hereby assign to VRS any VRS group life insurance benefits that may be payable as a result of my death to secure repayment of any such retirement benefit overpayment.

Member Signature

Date

29. Spouse Certification (Required if married or separated)

I have read and understand the retirement payout options available under VRS. I am aware of and understand the retirement payout option selected by my spouse in Part B and if my spouse chose a Survivor Option, the survivor benefits will be provided to the person named in Part C. Further, I am aware that counseling regarding the payout options is available.

Spouse's Signature

Date

Address (If different from member's address)

REQUEST FOR INCOME TAX WITHHOLDING

VIRGINIA RETIREMENT SYSTEM
P.O. Box 2500
Richmond, Virginia 23218-2500
Toll Free 1-888-VARETIR (827-3847)
Fax 804-786-9718
www.varetire.org

1. Social Security Number

2. Daytime Phone Number

Complete this form if: (1) You are a new retiree, or (2) you want to make a change to your income tax withholding. If a completed VRS-15 is not on file, VRS withholds federal income tax based on the rate for a married individual claiming three exemptions and state income tax based on the rate for zero exemptions. Refer to the back of this form to calculate exemptions.

PART A. RETIREE INFORMATION

3. Name	(First)	(MI)	(Last)	(Jr./Sr.)
4. Address	(Street)	(City)	(State)	(Zip+4)
5. Residency Status	<input type="checkbox"/> US Citizen/Resident Alien <input type="checkbox"/> Non-resident Alien (Marking this box certifies your status as non-resident alien and that you are not a U.S. citizen or resident alien.)			

PART B. FEDERAL INCOME TAX WITHHOLDING

Choose one option below. If you choose to have income tax withheld, provide your marital status and the number of exemptions.

Do not withhold federal income tax from my monthly benefit. I understand that I am liable for payment of federal income tax on the taxable portion of my benefit and that I may be subject to tax penalties under the estimated tax payment rules if my payment(s) of estimated tax and withholding are not adequate. (If you are a U.S. Citizen or resident alien and your monthly benefit payments are delivered outside the U.S. or its possessions, you *must* have federal income tax withheld.)

Using the marital status and the exemptions below, calculate my federal income tax withholding (if any) in accordance with the tax formula as published in IRS Publication 15.

Marital Status: Married Single Number of Exemptions: _____

If you wish an amount withheld in addition to the calculated tax, enter the additional amount to be withheld per month: \$ _____

PART C. STATE OF VIRGINIA INCOME TAX WITHHOLDING

Choose one option below. If you choose to have state income tax withheld, provide the number of exemptions of each type.

(You are not required to have Virginia state income tax withheld from your benefit if you do not reside in Virginia.)

Do not withhold state income tax from my monthly benefit. I understand that I am liable for payment of state income tax on the taxable portion of my benefit and that I may be subject to tax penalties under the estimated tax payment rules if my payment(s) of estimated tax and withholding are not adequate.

Using the exemptions below, calculate my state income tax withholding (if any) in accordance with the tax formula as published in the Virginia Income Tax publication.

Personal Exemptions: _____ Age and Blindness Exemptions: _____ Total Exemptions: _____

If you wish an amount withheld in addition to the calculated tax, enter the additional amount to be withheld per month: \$ _____

Signature _____

Date _____



Completing Part B. Federal Income Tax Withholding

For detailed information about federal income tax withholding, refer to the Internal Revenue Service (IRS) web site at www.irs.gov to review the IRS Form W-4P. The "Personal Allowances Worksheet" from the W-4P is provided below for calculating exemptions for federal income tax purposes. Review the IRS Form W-4P for additional information about other worksheets that might apply.

- A** Enter "1" for **yourself** if no one else can claim you as a dependent. **A** _____
- B** Enter "1" if: a) You are single and have only one pension; or **B** _____
b) You are married, have only one pension and your spouse has no income subject to withholding; or
c) Your income from a second pension or a job, or your spouse's pension or wages (or the total of all), is \$1,000 or less.
- C** Enter "1" for your **spouse**. But, you may choose to enter "0" if you are married and have either a spouse who has income subject to withholding or you have more than one source of income subject to withholding. (Entering "0" may help you avoid having too little tax withheld.) **C** _____
- D** Enter the number of **dependents** (other than your spouse or yourself) you will claim on your tax return. **D** _____
- E** Enter "1" if you will file as **head of household** on your tax return. **E** _____
- F** **Child Tax Credit** (including additional child tax credit): If your total income will be less than \$52,000 (\$77,000 if married), enter "2" for each eligible child. If your total income will be between \$52,000 and \$84,000 (\$77,000 and \$119,000 if married), enter "1" for each eligible child, plus "1" additional if you have for or more eligible children. **F** _____
- G** Add lines A through F for total Personal Exemptions. Enter this number in Part B if you choose to have federal income tax withheld. **Note:** This may be different than the number of exemptions you claim on your tax return. **G** _____

Completing Part C. State Income Tax Withholding

For detailed information about state income tax withholding, refer to the Virginia Department of Taxation web site at www.tax.virginia.gov to review the Virginia Form VA-4P. The "Personal Exemption Worksheet" from the VA-4P is provided below for calculating exemptions for state income tax purposes.

Calculate Personal Exemptions

- 1** Enter "1" for **yourself**. **1** _____
- 2** If you are married and your spouse is not claimed on his or her own certificate, enter "1". **2** _____
- 3** Enter the number of dependents you will claim on your state income tax return. (Do not include your spouse.) **3** _____
- 4** Add lines 1, 2, and 3 for total Personal Exemptions. Enter this number in Part C if you choose to have state income tax withheld. **4** _____

Calculate Exemptions for Age and Blindness

- 5** Age: a) If you will be 65 or older on January 1, enter "1". **5a** _____
b) If you claimed an exemption on line 2 above and your spouse will be 65 or older on January 1, enter "1". **5b** _____
- 6** Blindness: a) If you are legally blind, enter "1". **6a** _____
b) If you claimed an exemption on line 2 above and your spouse is legally blind, enter "1". **6b** _____
- 7** Add lines 5a through 6b for total Age and Blindness Exemptions. Enter this number in Part C if you choose to have state income tax withheld. **7** _____

AUTHORIZATION FOR DIRECT DEPOSIT OF MONTHLY BENEFIT

VIRGINIA RETIREMENT SYSTEM
 P.O. Box 2500
 Richmond, Virginia 23218-2500
 Toll Free 1-888-VARETIR (827-3847)
 Fax 804-786-9718
www.varetire.org

1. Social Security Number
2. Phone Number
3. Type of Request (Check one) <input type="checkbox"/> New Retiree (Initial Request) <input type="checkbox"/> New Survivor (Initial Request) <input type="checkbox"/> Third Party (Initial Request) <input type="checkbox"/> Change of Direct Deposit Information

If you are completing this form as Power of Attorney or as a guardian for a retiree or survivor, please attach a copy of your Power of Attorney or guardianship papers. If you are filling this out on behalf of a retiree or beneficiary in the State Retiree Health Benefits Program and the address is being updated, the address change will not be made unless the Power of Attorney specifically authorizes access to health plan information.

VRS will send you a Statement of Earnings when the first benefit payment is made into the new account. If your mailing address changes, it is very important to notify VRS so you'll receive important information that is mailed to your mailing address, including the year-end tax statement and newsletters.

I hereby authorize VRS to deposit my monthly retirement benefit payment directly to my account at the financial institution shown below. I agree to provide written notification to VRS within 30 days of any changes to this information so that my monthly benefit may be properly distributed. I also authorize VRS to make adjustments to my account to correct any credit entries made in error.

NOTE: If you receive more than one benefit from VRS, this direct deposit authorization will apply to all benefits you receive.

4. Name	(First)	(MI)	(Last)	(Jr./Sr.)
5. Address	(Street)	(City)	(State)	(Zip+4)
<input type="checkbox"/> Check box if this is a new address				
6. Name of Financial Institution			7. Branch (City and State)	
8. Type of Account (Check one) <input type="checkbox"/> Checking <input type="checkbox"/> Savings				
9. Signature			10. Date	
11. Provide a voided check with the correct routing information and account number. To ensure the information you provide is accurate, you may wish to contact your financial institution.				
TAPE VOIDED CHECK HERE				

This form cannot be processed unless it is signed and dated.



MORE INFORMATION

For more information about benefit eligibility and planning for retirement, see the *Handbook for Members*, the *Pre-Retirement Planning Guide* or the VRS Web site at www.varetire.org. VRS publications and forms are available on the VRS Web site. Most forms are fillable. Select the “fillable” version and complete it online, then print and sign it before submitting.





Virginia Retirement System

1200 East Main Street • P.O. Box 2500 • Richmond, Virginia 23218-2500
www.varetire.org • 1-888-VARETIR (1-888-827-3847) • TDD: 804-344-3190