



## Retirement Annuity

### Traditional and Portable Pension Plans

#### General Information

Contact SURS for specific information regarding your eligibility for a retirement annuity and the date it can begin.

If you have not had a retirement counseling appointment or received an estimate of your retirement benefits in the last year and you are within ten years of retirement eligibility, you may request one by logging into your SURS member website at [surs.org](http://surs.org). You may also calculate your own estimates using the online benefit estimator.

If you have terminated, or will terminate your employment from all SURS-covered agencies, and you do not qualify for a retirement annuity or you do not wish to leave your funds on deposit with SURS, you may apply for a separation refund. However, by accepting a separation refund, your claim to future benefits is forfeited. For your convenience, the refund process is also initiated by calling SURS toll free at 800-275-7877 or direct at 217-378-8800.

If you have at least one year of service credit with another Illinois public retirement system (even if you have less than five years of service credit with SURS), it may be to your advantage to leave your funds on deposit with SURS and later retire under the Illinois Reciprocal Act. Contact SURS for more information.

If you do not take a refund or apply for a retirement annuity and remain inactive, you will be required to accept a mandatory distribution of your funds upon reaching Required Minimum Distribution (RMD) age. RMD age is as follows: born on or before 6/30/49, RMD age is 70 ½; born between 7/1/49-12/31/50, RMD age is 72; born on or after 1/1/51, RMD age is 73. The RMD age is scheduled to increase to age 75 for distributions after the year 2033.

#### Filing for Retirement

Contact SURS toll free at 800-275-7877 or direct at 217-378-8800 to request an Application for Retirement Annuity. You may also access an application by logging in to your SURS member website at [surs.org](http://surs.org). Your application should be on file with SURS 60 to 90 days prior to the effective date of retirement. Any payments for service credit must be made prior to the effective date. If you are electing to retire under the Illinois Reciprocal Act, you should also contact the other system(s) for an application.

Along with your application, you should submit copies of your birth certificate, as well as your spouse's or contingent annuitant's birth certificate and marriage certificate, as needed.

#### Processing Information

During the processing of your claim, you will receive estimated payments of approximately 80% to 90% of your estimated annuity, based on the information on file on the day you retire. Service credit due to sick leave or reciprocal time are not included in your preliminary benefit amount. You should note that certain restrictions apply, and the actual percentage received may vary.

Retirement processing takes approximately six months. The processing time may be longer, depending upon the complexity of your claim, particularly if you are electing to retire under the Illinois Reciprocal Act. During this processing time, SURS will request the necessary information from you, your employer and any applicable reciprocal systems.

When your claim is finalized, any additional annuity due will be paid to you in a lump sum. If an overpayment occurs, you will be responsible for returning any excess payments to SURS. Any lump-sum payments, such as a survivor refund or service or contribution waiver, will be paid at the time your claim is finalized. You will receive notification of available options for these payments during the processing of your retirement claim.

**Return to Work**

Return to work limitations will apply for pay received for services performed at a SURS-covered employer only. You may return to work on or after the 61<sup>st</sup> day from your retirement date, subject to an earnings limitation. You will be informed of your limit when the retirement claim has been completed. Please note that earnings limitations do not apply to employment outside of the SURS system.

**Reversionary Annuity**

If you are a Traditional Plan member, you may also elect to receive a reduced monthly annuity to provide additional benefits for your survivor. The cost for this benefit is based on your age and the survivor's age at retirement. Your election for the Reversionary Annuity must be on file with SURS at least 30 days prior to retirement. This option is not available under the Portable Plan.

**Portable Member Options**

If you are not married, your annuity is a Single-Life annuity payable for your lifetime, unless you select a Lump-Sum Retirement or designate a contingent annuitant. A contingent annuitant is any person you designate to receive a survivorship annuity, regardless of relationship. The survivorship annuity will be 50%, 75% or 100% of your reduced annuity, depending upon your election.

If you are married, your spouse is your contingent annuitant and your annuity will be paid as a Joint & Survivor annuity, unless they provide consent for you to elect otherwise. If your spouse provides written consent, you may elect to receive a Single-Life annuity, a Lump-Sum Retirement or name another person to receive a survivorship annuity.

**Taxability**

Your annuity will either be fully or partially taxable for federal income tax. Your annuity is not taxed by the state of Illinois. If you reside in another state, check with the revenue department of that state regarding tax provisions. SURS can only withhold income tax for the state of Illinois.

**After Retirement**

Once retired, you must contact SURS to update your mailing address, email address, tax withholding and bank information.

**Automatic Annual Increase**

Tier I members (originally began contributing to SURS prior to Jan. 1, 2011) receive a 3% prorated increase paid on the Jan. 1 following the effective date of their annuity. This prorated increase is based on 3% of the base annuity for the number of months from the effective retirement date through December of that year. A 3% compounded annual increase is paid each January thereafter.

Tier II members (certified on or after Jan. 1, 2011) receive an increase of the lesser of 3% or half of the change in the Consumer Price Index. The increase is not compounded, and it begins on the Jan. 1 following age 67 or the first anniversary of the date of retirement, whichever is later.