



# REFUND/ROLLOVER REQUEST

TERMINATING PERA-COVERED EMPLOYMENT

*INCLUDES THE COLORADO PERA FORMS TO  
CLOSE YOUR PERA DEFINED BENEFIT ACCOUNT*

Revised April 2015

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# OVERVIEW

Read this booklet before completing a *Rollover Request—Defined Benefit Plan* or *Refund Request—Defined Benefit Plan* form to do a rollover/refund of your Colorado PERA Defined Benefit (DB) Plan account(s).

- ▶ For a quick summary of what you will lose by withdrawing your account and what you can gain by leaving your money at PERA, see page 10.

This booklet explains the PERA benefits and rights you will forfeit if you do a rollover/refund of your DB Plan account(s), as well as the details of taxes you may incur as a result of your decision to do a rollover/refund of your DB Plan account(s). **Do not use this booklet or forms to roll over or withdraw your PERAPLus 401(k), PERAPLus 457, or PERA DC Plan accounts.**

## PART I: TERMINATING PERA-COVERED EMPLOYMENT

When you terminate PERA-covered employment, you will need to decide whether to leave your PERA 401(a) DB Plan account(s) at PERA, roll it over to an IRA or eligible employer plan, or refund it. In this section, we will provide you with information to help you make this decision.

As a result of the Denver Public Schools Retirement System (DPSRS) merger with PERA, you may have two DB Plan accounts with PERA—one under the PERA benefit structure and one under the Denver Public Schools (DPS) benefit structure. If you do a rollover/refund of your DB Plan accounts, you must do a rollover/refund of both DB Plan accounts unless you are eligible to retire from one or both benefit structures and choose to take a benefit.

- ▶ Si usted quiere una copia de este folleto en español, llame al 1-800-759-7372.





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3%

If you leave your DB Plan account(s) at PERA, it will continue to earn interest. The current interest rate is 3 percent compounded annually.

## WHAT YOU SHOULD KNOW BEFORE ROLLING OVER OR REFUNDING YOUR PERA DB PLAN ACCOUNT(S)

- » Your PERA DB Plan account(s) is a retirement account(s) for future retirement income. If you do a rollover/refund of your DB Plan account(s) now, you will not have a retirement benefit in the future for the time you worked for a PERA employer.
- » You may leave your DB Plan account(s) at PERA where it will continue to earn interest. The interest rate is set by the PERA Board and is subject to change annually. The current interest rate is 3 percent compounded annually.
- » You may roll over your DB Plan account(s) to another eligible plan and keep your account(s) dedicated for retirement.
- » You may refund your DB Plan account(s) and pay income taxes and the IRS 10 percent additional income tax for early distribution if you refund before age 59½.
- » If you return to work for a PERA employer before your rollover/refund is issued, your rollover/refund will be canceled.
- » If you are under age 55 and working for any PERA employer, you must terminate employment with all PERA employers, including those that offer an Optional Retirement Plan (ORP), to be eligible for a rollover/refund.

## IF YOU LEAVE YOUR PERA AND/OR DPS BENEFIT STRUCTURE DB PLAN ACCOUNT(S) AT PERA

- » You will retain the rights associated with your PERA membership and if you return to PERA membership, continue to earn service credit.
- » You may continue coverage in the PERA life insurance program (if already enrolled) at the same low group rate by setting up an automatic direct pay arrangement with Unum.
- » You may consider applying for PERA's disability program rather than doing a rollover/refund, if you have more than five years of service credit and are terminating PERA-covered employment because of a potentially disabling condition.



See the *Colorado PERA Disability Program* booklet for more information.

- » Please contact PERA whenever your address changes or once every five years. If you do not have five years of service credit, your DB Plan account(s) may be turned over to Colorado's Unclaimed Property Fund. We encourage you to contact PERA annually by phone, email, letter, or go to the PERA website at [www.copera.org](http://www.copera.org) and click on the "Claim Your Defined Benefit (DB) Plan Account(s)" link under the "Members" menu.

- » You will need to roll over, refund, or begin receiving a monthly benefit by April 1 following the year in which you reach age 70½ or the IRS will impose a tax penalty on your rollover, refund, or benefit. *Note:* If you roll over your account, you will still be required to take a Required Minimum Distribution each year in accordance with federal law.

### IF YOU LEAVE YOUR PERA BENEFIT STRUCTURE DB PLAN ACCOUNT AT PERA

- » When you are eligible for retirement (see the *Colorado PERA Retirement Eligibility* fact sheet on the PERA website), you may receive a benefit, roll over, or refund your DB Plan account. If you do a rollover/refund of your DB Plan account, you will receive, at time of rollover/refund, a 100 percent match equal to your member contributions and interest. If you are not eligible for retirement, see the specific match provisions under "Rolling Over or Refunding Your PERA DB Plan Account(s)" at right.
- » If you die before your effective date of PERA retirement, your qualified survivors may be eligible for a survivor benefit and in some cases, a lump-sum payment.
- » If you choose to receive a monthly benefit in the future, you have the option to enroll in the PERACare Health Benefits Program and may receive a subsidy toward your health care premium.
- » If you have 25 or more years of service credit, you may be eligible for a monthly benefit that is indexed (increased) based on the annual increase provisions of your plan if you began PERA membership on or before December 31, 2006, and you were eligible to retire on January 1, 2011. If you meet these qualifications, you should contact PERA's Customer Service Center for additional information.

### IF YOU LEAVE YOUR DPS BENEFIT STRUCTURE DB PLAN ACCOUNT AT PERA

- » When you are eligible for retirement (see the *Colorado PERA Retirement Eligibility* fact sheet on the PERA website), you may apply for a benefit, roll over, or refund your DB Plan account. If you do a rollover/refund of your DB Plan account, you will receive, at time of rollover/refund, a 100 percent match equal to your member contributions and interest if you are an inactive member who terminated employment on or after January 1, 2001, and you have five years of service credit; otherwise no match will be included.

- » If you have five years of service credit under the DPS benefit structure and choose to receive a monthly benefit in the future, you have the option to enroll in the PERACare Health Benefits Program and may receive a subsidy toward your health care premium.
- » If you become an inactive member (either because your DPS benefit structure DB Plan account is frozen through exercising portability, or because you terminated your employment with all PERA employers) and you are eligible to receive a reduced or full service retirement benefit, you may apply for a monthly retirement benefit at the time you become an inactive member or any time in the future. If you are not eligible to receive a retirement benefit when you become an inactive member, you are only eligible to receive a monthly benefit when you reach full service retirement eligibility.



See the *Colorado PERA Retirement Eligibility* fact sheet for more information.

### ROLLING OVER OR REFUNDING YOUR PERA DB PLAN ACCOUNT(S)

The forms provided in this booklet are for doing a rollover/refund of your DB Plan account(s). To do a rollover or withdraw your PERAPlus 401(k) Plan account, PERAPlus 457 Plan account, or PERA DC Plan account, call 1-800-759-7372 and select the PERAPlus/DC option.

The money in your DB Plan account(s) will consist of your tax-deferred (pre-tax) member contributions and may contain tax-paid (after-tax) money, which would have been contributed to the PERA benefit structure before July 1, 1984, and before January 1, 1986, to the DPS benefit structure. Your DB Plan account(s) will also contain interest that is compounded annually and any amounts you paid to purchase service credit. Money used to purchase service credit may be tax-deferred or tax-paid. PERA's Customer Service Center can provide you with the tax-deferred and tax-paid amounts in your DB Plan account(s).

By law, you are not allowed to do a rollover/refund of only a portion of your DB Plan account(s). If you have a DB Plan account under both the PERA benefit structure and the DPS benefit structure and

you choose to do a rollover/refund, you must do a rollover/refund of both DB Plan accounts unless you are eligible to retire from one or both benefit structures and choose to take a benefit.

To do a rollover/refund of your DB Plan account(s), your employment cannot continue with a PERA employer. PERA must verify that your employment does not continue through any PERA employer and that it has received all of your contributions from your former employer(s). If PERA receives information of a new membership before your DB Plan account(s) is rolled over/refunded, your *Rollover or Refund Request—Defined Benefit Plan* will be canceled. Once your rollover/refund is issued, it cannot be changed or returned to PERA.

Your PERA DB Plan account(s) may be rolled over, refunded to you, or a combination of these two. You may want to consider doing a rollover to another tax-deferred plan to avoid immediate taxation of the funds and continue to dedicate this money for your retirement.

### WHEN YOU ROLL OVER OR REFUND YOUR PERA BENEFIT STRUCTURE DB PLAN ACCOUNT

- » If you are eligible for retirement, you will receive, at time of rollover/refund, a 100 percent match equal to your member contributions and interest.
- » If you are not eligible for retirement, you will receive, at time of rollover/refund, a 50 percent match equal to your contributions and interest if you have five years of earned service credit. If you do not have five years of earned service credit:
  - You will receive a 50 percent match on member contributions and interest received by PERA on or before December 31, 2010.
  - You will not receive a match on contributions and interest received on or after January 1, 2011.



See the *Colorado PERA Retirement Eligibility* fact sheet for more information.

### WHEN YOU ROLL OVER OR REFUND YOUR DPS BENEFIT STRUCTURE DB PLAN ACCOUNT

- » You will receive, at time of rollover/refund, a 100 percent match equal to your member contributions and interest if you are eligible for retirement, are an inactive member who terminated employment on or after January 1, 2001, and you have five years of service credit; otherwise no match will be included.

- ▶ PERA's Customer Service Center can provide you with an estimate of your rollover/refund amount or you may use your User ID and password to access the "Termination Options" calculator on PERA's website.

### ROLLING OVER YOUR PERA DB PLAN ACCOUNT(S)

#### *Rolling Over the Tax-Deferred Portion:*

- » You can do a rollover to another account in your name. It cannot be rolled over to an account set up for anyone else, including your spouse.
- » The tax-deferred portion of your DB Plan account(s) will remain tax-deferred if you do a rollover to a traditional IRA or eligible employer plan that accepts tax-deferred money.
- » You may do a direct rollover, which is a payment made directly from PERA to an IRA or eligible employer plan, or you may do a rollover within 60 days of receiving your PERA refund check if the tax-deferred portion of your DB Plan account(s) was paid to you first. (The differences between a direct rollover and a 60-day rollover are explained on page 6, "How Do I Do a Rollover?")
- » You may be able to do a rollover of your DB Plan account(s) to a traditional IRA, Roth IRA, 401(a), 401(k), your PERAPlus 401(k) Plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, a 457(b) governmental plan, your PERAPlus 457 Plan, or an eligible employer plan that accepts tax-deferred money.
- » You cannot roll to a SIMPLE IRA or Coverdell Education Savings Account (formerly known as an Education IRA).
- » If you choose to do a rollover of the tax-deferred portion into a Roth IRA, the amount of the rollover will be included in your taxable income in the year your rollover is made.
- » If you want a portion of the tax-deferred amount in your DB Plan account(s) paid to you, that portion will be paid to you minus 20 percent for federal withholding if that portion is \$200 or more.

#### *Rolling Over the Tax-Paid Portion:*

If you have tax-paid money in your DB Plan account(s) and want to roll over this portion, obtain the *Financial Institution Certification* form from the PERA website.



- » You can do a rollover to another account in your name. It cannot be rolled over to an account set up for anyone else, including your spouse.
- » The tax-paid portion of your DB Plan account(s) can be paid as a direct rollover to an IRA or an eligible employer plan that accepts tax-paid money.
- » You may be able to do a rollover of your tax-paid portion to a 401(a), 401(k), your PERAPlus 401(k) Plan, or a 403(b) tax-sheltered annuity that accepts tax-paid money. *Note:* The PERAPlus 457 Plan does not accept rollovers of tax-paid money.
- » You must have the tax-paid portion directly rolled over to a qualified plan or 403(b) tax-sheltered annuity; it may not be paid to you first and then rolled over to another account.
- » An IRA will accept a rollover of the tax-paid portion if your DB Plan account(s) was paid to you first.
- » If you decide to have the tax-paid portion paid to you, there will be no tax withholding or penalties, since federal income taxes have already been paid on these amounts.

#### REFUNDING YOUR PERA DB PLAN ACCOUNT(S)

- » The taxable amount of your DB Plan account(s) will be taxed in the current year unless you roll it over to a traditional IRA or eligible employer plan. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe (see pages 5–9 or contact a tax professional for more information).
- » Your refund may be subject to an IRS 10 percent additional income tax for early distribution if you are under age 59½. (See page 7, “If I Don’t Do a Rollover, Will I Have to Pay the 10 Percent Additional Income Tax on Early Distributions?”)
- » If your refund is \$200 or more, PERA is required to withhold 20 percent of the tax-deferred portion of your DB Plan account(s) and send it to the IRS as income tax withholding to be credited against your taxes.
- » PERA does not withhold state tax, but you may be responsible for paying state taxes on the full amount when you file your state tax return for the year you receive the refund.
- » The tax-paid portion (if any) will have no tax withholding or penalties, since federal income taxes have already been paid on these amounts.

- » After you refund, you can still roll over part of your DB Plan account(s). This is called a 60-day rollover and is explained on page 6, “How Do I Do a Rollover?”

- The tax-deferred portion can be rolled into an IRA or an eligible employer plan that will accept tax-deferred money. Since PERA is required to withhold 20 percent for federal income taxes, you may need to make up this amount from other sources.
- The tax-paid portion can be rolled into an IRA or to an eligible employer plan that will accept tax-paid money. You can only roll over tax-paid money to a qualified plan or a 403(b) tax-sheltered annuity via a direct rollover; it cannot be paid to you first.

#### IF YOU RETURN TO PERA MEMBERSHIP AFTER A ROLLOVER/REFUND

- » You may be eligible to purchase all or part of your forfeited service credit after you have earned one year of service credit with a PERA employer.
- » There are different rules for purchasing service credit from a rolled over/refunded account under the PERA and DPS benefit structures.



See the *Purchasing Service Credit* brochure for more information.

- » If you purchase service credit based on your rollover/refund, it will not be considered earned service credit and therefore cannot be used to become eligible for survivor benefits and PERA’s disability program.
- » The salary associated with your rollover/refund is not used in the calculation of your Highest Average Salary.
- » If you return to PERA-covered employment and purchase all or a part of your forfeited service credit, you will be subject to the defined benefit membership provisions in effect at the time you return to PERA membership.



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## SOCIAL SECURITY AND YOUR PERA DB PLAN ACCOUNT(S)

According to the Social Security Administration, any rollover/refund that includes a matching amount subjects the member's Social Security benefits to reductions under the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). If you do not receive a match with your rollover/refund, you will not be subject to the WEP or GPO reductions. For more information, see the Social Security website at [www.ssa.gov](http://www.ssa.gov) or call Social Security at 1-800-772-1213.

## HOW TO DO A ROLLOVER/REFUND OF YOUR DB PLAN ACCOUNT(S)

If you would like to do a rollover/refund of your DB Plan account(s), you need to complete only one of the forms listed below:

- » Complete the *PERA Rollover Request—Defined Benefit Plan* form on pages 13–15 if you want all or a portion of your DB Plan account(s) rolled over to another qualifying plan.
- » Complete the *PERA Refund Request—Defined Benefit Plan* form on pages 19–21 if you want all of your DB Plan account(s) refunded to you.

# PART II: IRS NOTICE FOR QUALIFIED DISTRIBUTIONS FROM YOUR PERA 401(A) DB PLAN ACCOUNT(S)

When you terminate PERA-covered employment, you have the following options:

- » Leave your DB Plan account(s) at PERA.
- » Roll over your DB Plan account(s) to an IRA or an eligible employer plan.
- » Refund your DB Plan account(s) and pay the IRS 10 percent additional income tax for early distribution if you refund before age 59½.

This section contains a notice from the IRS which provides a more detailed and technical explanation of doing a rollover/refund of your DB Plan account(s). The notice has important information you need to review before you decide to receive a rollover or refund.

All or part of your DB Plan account(s) may be eligible for rollover by you or PERA as a rollover to an IRA or an eligible employer plan.

A rollover is a payment by you (60-day rollover) or PERA (direct rollover) of all or part of the tax-deferred dollars of your DB Plan account(s) to another plan or traditional IRA that allows you to continue holding the money tax-deferred until it is paid to you. Your DB Plan account(s) cannot be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account. *Note:* Your payment also can be rolled over to a section 408(a) Roth IRA subject to the same limits that apply to rollovers from a traditional IRA to a Roth IRA. PERA cannot determine your eligibility to do a Roth IRA rollover.

An “eligible employer plan” includes: a plan qualified under section 401(a) of the Internal Revenue Code, including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a 403(a) annuity plan; a 403(b) tax-sheltered annuity; and a 457(b) governmental plan.

An eligible employer plan is not legally required to accept a rollover. Before you decide to do a rollover of your DB Plan account(s) to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover.

Even if a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as tax-paid (after-tax) amounts. Because of this, PERA issues tax-paid amounts as a separate check from your tax-deferred amounts. If this is the case, and your DB Plan account(s) includes tax-paid amounts, you may wish instead to do a rollover of your DB Plan account(s) to an IRA or split your rollover amount between the employer plan in which you will participate and an IRA.

If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse’s consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from PERA. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

If you have additional questions after reading this notice, contact PERA’s Customer Service Center at 1-800-759-7372. You may also want to contact a tax professional before doing a rollover/refund of your DB Plan account(s).

## **NOTICE SUMMARY**

Rules that apply to a rollover of your DB Plan account(s) are described in the “General Information About Rollovers” section. Special rules that only apply in certain circumstances are described in the “Special Rules and Options” section.

## **GENERAL INFORMATION ABOUT ROLLOVERS**

### **How Can a Rollover Affect My Taxes?**

You will be taxed on a refund of your DB Plan account(s). You will not be taxed on your DB Plan account(s) if you roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10 percent additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10 percent additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

### **Where May I Roll Over the Payment?**

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

### **How Do I Do a Rollover?**

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, PERA will make the check payable to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment payable to you from PERA to make the deposit. If you do not do a direct rollover, PERA is required to withhold 20 percent of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20 percent withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10 percent additional income tax on early distributions if you are under age 59½ (unless an exception applies).



## How Much May I Roll Over?

If you decide to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- A. *Required Minimum Distributions after age 70½.*  
Beginning when you reach age 70½ or terminate PERA-covered employment, whichever is later, a certain portion of your payment cannot be rolled over because it is a "Required Minimum Distribution" that must be paid to you.
- B. *Corrective distributions of contributions that exceed tax law limitations.* A distribution that is made because legal limits on certain contributions were exceeded cannot be rolled over.

PERA can tell you what portion of a payment is eligible for rollover.

## If I Don't Do a Rollover, Will I Have to Pay the 10 Percent Additional Income Tax on Early Distributions?

If you are under age 59½, you will have to pay the 10 percent additional income tax on early distributions from your DB Plan account (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over. The amount that PERA will automatically withhold for income tax purposes is not intended to cover the 10 percent additional income tax. You can request that an additional amount be withheld from your payment or you can work with the IRS or your tax adviser for payment of this additional tax.

The 10 percent additional income tax does not apply to the following payments from the plan:

- » Payments made after you terminate PERA-covered employment if you will be at least age 55 in the year you terminate employment.
- » Payments made after you terminate PERA-covered employment if you are a State Trooper and you are at least age 50 in the year you terminate employment.
- » Payments that are paid because you retire due to disability.
- » Corrective distributions of contributions that exceed tax law limitations.

- » Payments made directly to the government to satisfy a federal tax levy.
- » Payments made to an alternate payee under a domestic relations order (DRO).
- » Payments up to the amount of your deductible medical expenses.
- » Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days.

## If I Do a Rollover to an IRA, Will the 10 Percent Additional Income Tax Apply to Early Distributions From the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10 percent additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10 percent additional income tax for early distributions from an IRA are the same as the exceptions for early distributions from a plan (see list to left). However, there are a few differences for payments from an IRA, including:

- » There is no exception for payments after separation from service that are made after age 55.
- » The exception for domestic relations orders (DROs) does not apply. However, a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse.
- » The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.
- » There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

## Will I Owe State Income Taxes?

This notice does not describe any state or local income tax rules (including withholding rules).

## SPECIAL RULES AND OPTIONS

### If Your Payment Includes After-Tax Contributions

If your DB Plan account(s) has any after-tax money in it, that amount will not be taxed if you refund your DB Plan account(s).

**Rollover into an IRA.** You may roll over your DB Plan account(s) that includes after-tax money to an IRA through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of your DB Plan account(s) and a portion is paid to you, each of the payments will include an allocable portion of the after-tax contributions. If you do a 60-day rollover to an IRA of only a portion of your DB Plan account(s), the after-tax contributions are treated as rolled over last. For example, assume your DB Plan account(s) totals \$12,000, of which \$2,000 is after-tax contributions. In this case, if you roll over \$10,000 to an IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

**Rollover into an Employer Plan.** You may roll over your DB Plan account(s) that includes after-tax money to an employer plan, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of your DB Plan account(s) that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you have after-tax (tax-paid) money in your account(s) and want to roll over this portion, obtain the *Financial Institution Certification* form from PERA's website.

### If You Miss The 60-Day Rollover Deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS.

Private letter ruling requests require the payment of a nonrefundable user fee.

For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*.

### If You Were Born on or Before January 1, 1936

If you were born on or before January 1, 1936, and receive a refund of your PERA DB Plan account that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

### If You Roll Over Your Payment to a Roth IRA

If you roll over the payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10 percent additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within five years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time home buyer distribution of up to \$10,000) and after you have had a Roth IRA for at least five years. In applying this five-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10 percent additional income tax on early distributions (unless an exception applies). You do not have to take Required Minimum Distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

## If You Are a Nonresident Alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20 percent, PERA is generally required to withhold 30 percent of the payment. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S.

If your address is outside of the United States, you must complete one of the following forms for federal income tax withholding:

- » You must provide to PERA an IRS Form W-9, *Request for Taxpayer Identification Number and Certification*, if you are a U.S. citizen (even though you reside outside of the United States). The only purpose of this form is to gain your certification that you are a U.S. citizen; PERA is not requesting you obtain a new Taxpayer Identification Number.
- » You must provide to PERA an IRS Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, if you are a foreign person (a nonresident alien) to:
  - Establish that you are a foreign person;
  - Claim that you are the beneficial owner of the income for which form W-8BEN is being provided; and
  - Claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty (if applicable).

Additional information is available from the IRS (1-800-829-1040 or [www.irs.gov](http://www.irs.gov)) in Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

PERA is required by law to withhold 30 percent from any payments you are to receive if Form W-9 or Form W-8BEN is not received. If you have any questions about your tax status, please contact your tax professional.

## Other Special Rules

If your refund is less than \$200, PERA is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*.

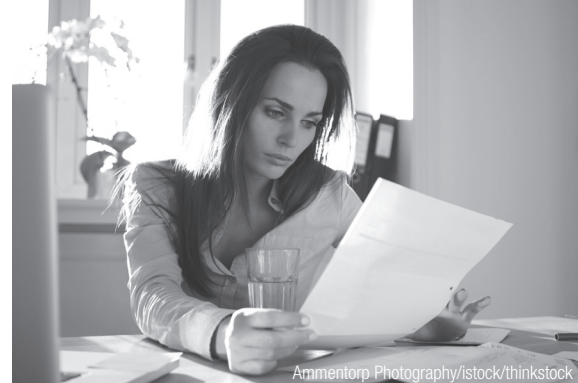
## For More Information

This notice summarizes only the federal (not state or local) tax rules that may apply to your rollover/refund. The rules described here are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with a tax professional before you do a rollover/refund of your DB Plan account(s). Also, you can find more detailed information on the federal tax treatment of payments from an IRA or employer plan in the following publications:

- » IRS Publication 575, *Pension and Annuity Income*.
- » IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*.
- » IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.
- » IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*.

These publications are available from a local IRS office, online at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORM.





If you leave your DB Plan account(s) at PERA and choose to take a retirement benefit when eligible, you will receive a pension benefit check every month until you die.

## TAKE A SECOND LOOK

Leaving your money at PERA has its advantages

### WHAT YOU GAIN BY LEAVING YOUR ACCOUNT AT PERA

- » You can receive a pension benefit check every month in your retirement until you die (and beyond to your survivor, if you name a cobeneficiary).
- » Your PERA account will continue to grow through annually compounded interest.
- » Your survivors may receive a monthly benefit or a lump sum of money.
- » You will have access to the PERACare Health Benefits Program in retirement. You may also receive a subsidy toward your premium.
- » You will preserve income earmarked for your retirement since you likely didn't pay into Social Security while you were a PERA member.

### WHAT YOU LOSE BY WITHDRAWING YOUR PERA ACCOUNT

- » You forfeit your right to any future benefit and will lose an opportunity to have lifetime retirement income.
- » You will pay taxes on the money unless it is rolled over to another tax-deferred plan.
- » You may pay a 10 percent IRS penalty.
- » You will lose access to the PERACare Health Benefits Program and the life insurance program through Unum.
- » You will lose the right to apply for PERA's disability program if you have more than five years of service credit and are terminating PERA-covered employment because of a potentially disabling condition.



## ***ROLLOVER REQUEST—DEFINED BENEFIT PLAN FORM***



# INFORMATION ABOUT THE *ROLLOVER REQUEST—DEFINED BENEFIT PLAN FORM*

To do a rollover of your PERAPlus 401(k)/457 Plan accounts or PERA DC Plan account, call 1-800-759-7372 and select the PERAPlus/DC option.

## **COMPLETING THE *ROLLOVER REQUEST—DEFINED BENEFIT PLAN FORM***

- » Use the *Rollover Request—Defined Benefit Plan* form to do a rollover of all or a portion of your PERA benefit structure and/or DPS benefit structure DB Plan account(s).
- » If you would like to refund all of your DB Plan account(s) to yourself, complete the *Refund Request—Defined Benefit Plan* form on pages 19–21.
- » You must submit a *Rollover Request—Defined Benefit Plan* form to PERA with an original signature and notarization; a photocopy or faxed form will not be accepted. Side 2 of this form may be photocopied if you have more than one employer to certify termination of employment or if you have more than one financial institution that requires certification.
- » Your signature must be notarized in the Notary Public section on page 13.
- » If you are refunding any portion of your DB Plan account(s) and would like to have PERA withhold an additional federal tax amount (20 percent of the refunded amount is automatically withheld), call the PERA Customer Service Center for additional information.
- » If your address is outside of the United States, see “If You Are a Nonresident Alien” on page 9 for information about income taxes that may be withheld from any portion you do not roll over.

## **PROCESSING TIME FOR THE *ROLLOVER REQUEST—DEFINED BENEFIT PLAN FORM***

- » Generally, your check(s) will be issued within 90 days of receiving a *Rollover Request—Defined Benefit Plan* form as long as the form is complete.
- » Incomplete forms will require PERA to request additional information from you to process your rollover/refund; if you do not respond to our requests for additional information, your rollover/refund will be canceled.
- » The issue date of your check(s) depends on (1) the date PERA receives your *Request* form; (2) the certified date of termination; (3) the end of the month in which you were last on the payroll report; and (4) the date PERA receives any required supplementary documentation.
- » Your check(s) will be mailed to the address you provide on your *Request* form. Any portion that is being rolled over will be sent to the IRA or eligible employer plan.



## Rollover Request—Defined Benefit Plan

Colorado Public Employees' Retirement Association  
PO Box 5800, Denver, Colorado 80217-5800  
1-800-759-PERA (7372) • www.copera.org



Member SSN




See instructions for completing this form to the left on page 12.

### Member Information

Name must be the same as the name on your Social Security card

Name \_\_\_\_\_  
Last First MI  
Address \_\_\_\_\_  
Street City State ZIP Code  
Daytime Telephone ( ) Birthdate \_\_\_\_\_

### Rollover

**I understand that my choices below will affect both my PERA benefit structure and DPS benefit structure Defined Benefit (DB) Plan accounts (if applicable). I would like the tax-deferred portion distributed to me in the following manner:**

Roll over \_\_\_\_\_ % or \$ \_\_\_\_\_ (fixed-dollar amount) of the tax-deferred portion of my DB Plan account(s) to my IRA or eligible employer plan in the Financial Institution Certification section on the reverse side. *If the amount you are requesting is not 100 percent or the entire account(s) balance, the remainder will be paid to you minus 20 percent for federal tax withholding.*

If you have tax-paid money in your account(s), it will be paid to you without any tax withholding. If you want to roll over this portion, obtain the *Financial Institution Certification* form from the PERA website.

### Member Certification

**I have read all of the information provided in the *Refund/Rollover Request* booklet and I understand that by rolling over/ refunding my DB Plan account(s):**

- I will forfeit any rights associated with my present DB Plan account(s), my right to any future benefits with PERA, and I am solely responsible for all taxes and consequences of my decision.
- My rollover and any portion that is refunded to me will be paid to me in the manner I requested, and I understand once it is paid, my rollover/refund cannot be reissued or returned to PERA.
- With my signature below, I wish to waive the 30-day waiting period the Internal Revenue Code affords me and I understand that this waiver does not guarantee my rollover/refund will be sent to me in less than 30 days. *Note: Call PERA if you do not wish to waive this waiting period.*
- I understand that my DB Plan account(s) will be refunded to me and/or rolled over to my financial institution within 90 days of PERA receiving the necessary documentation, which includes any information from me, my former employer(s), and my financial institution to process my rollover/refund.
- I understand that PERA may discuss this rollover with the receiving financial institution(s) named in the Financial Institution Certification section on the reverse side.

**Sign Here →**

Member Signature \_\_\_\_\_ Date \_\_\_\_\_

### Notary Public

Places for you to have this form notarized include your employer, bank, or at PERA

**Have a notary public complete the certification below (required).**

State of \_\_\_\_\_ County of \_\_\_\_\_

Acknowledged before me, this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_,

by \_\_\_\_\_.

Witness my official hand and seal. Commission expires: \_\_\_\_\_

Notary Public \_\_\_\_\_

Form continued on reverse

Submit original form to PERA



## Rollover Request—Defined Benefit Plan (Page 2)

Colorado Public Employees' Retirement Association  
PO Box 5800, Denver, Colorado 80217-5800  
1-800-759-PERA (7372) • www.copera.org

Name \_\_\_\_\_ SSN \_\_\_\_\_

### Termination Certification by Former Payroll Office

*If you received a  
paycheck from your  
PERA employer within  
the past 90 days,  
have your employer  
complete this section*

*If you were paid by  
more than one PERA  
employer, make copies  
of this page and  
have each employer  
complete this section*

#### To be completed and signed by payroll office.

**Employer:** Please return this form, which must be signed by a certifying official, promptly to PERA. If the employee has been off your PERA Contribution Report for more than 90 days (unless on a leave of absence), you do not need to complete this certification.

1. Specify the last date the member was or will be paid through (including contract payments and annual leave accrual paid in advance) or the last day of unpaid leave of absence, whichever is later

\_\_\_\_\_  
month/day/year

2. Specify the final month the member will appear on your Contribution Report

\_\_\_\_\_  
month/year

3. Specify the total member contributions (including adjustments) reported for the member on all Contribution Reports submitted for the final month

\$ \_\_\_\_\_

4. Has this member terminated employment? ☐ Yes ☐ No

If yes, what is the termination date?

\_\_\_\_\_  
month/day/year

\_\_\_\_\_  
Signature and Title of Certifying Official (Payroll Specialist)

\_\_\_\_\_  
Date

( )

\_\_\_\_\_  
Employer Name (please print)

\_\_\_\_\_  
Employer Number

\_\_\_\_\_  
Telephone Number

### Financial Institution Certification

**Instructions:** You are required to have an authorized representative from the recipient financial institution or plan administrator complete and sign the information below. If you are rolling over your DB Plan account(s) to your PERAPlus 401(k) or 457 Plan, certification is not required. If you have tax-paid money in your account(s) and want to roll it over, obtain the *Financial Institution Certification* form from PERA's website.



**Member:** Choose ONE plan below to have the tax-deferred portion of your DB Plan account(s) rolled into:

☐ Traditional IRA

☐ Roth IRA

☐ Qualified Plan

☐ 403(a) Annuity Plan

☐ 403(b) Tax-Sheltered Annuity

☐ 457(b) Governmental Plan

☐ PERAPlus 401(k) Plan\*

☐ PERAPlus 457 Plan\*

(You must have an existing PERAPlus 457 Plan account)

**\* If you choose the PERAPlus 401(k) or PERAPlus 457 Plan, you do not need certification below.**



**IRA custodian or plan representative:** Complete and sign the information below.

**THIS CERTIFICATION CANNOT BE COMPLETED BY THE PERA MEMBER.**

Make check payable to \_\_\_\_\_

Our institution will accept (check one):

☐ The entire tax-deferred portion **or**

☐ The following amount \$ \_\_\_\_\_

Name of IRA Custodian or Plan \_\_\_\_\_ Account Number \_\_\_\_\_

Address \_\_\_\_\_

Street

City

State

ZIP Code

**Sign Here →**

*Authorized  
representative*

Signature of IRA Custodian or Plan Representative \_\_\_\_\_

Print Name of IRA Custodian or Plan Representative \_\_\_\_\_

Title of IRA Custodian or Plan Representative \_\_\_\_\_

Telephone Number ( ) \_\_\_\_\_

*Form continued on next page*

Name \_\_\_\_\_ SSN \_\_\_\_\_

**Social Security  
Card**

*Attach a photocopy of  
your Social Security  
card if you worked  
less than 18 months for  
a PERA employer*

**Attach a Legible Photocopy of Your Signed Social Security Card Below.**

- DO NOT SEND YOUR ORIGINAL SOCIAL SECURITY CARD.
- Your Social Security card *must* have your current name.
- If you do not have a copy of your Social Security card or need a new card, contact Social Security at 1-800-772-1213.

Extend transparent tape to edges of card. Do not staple or glue.









# ***REFUND REQUEST—DEFINED BENEFIT PLAN FORM***



# INFORMATION ABOUT THE *REFUND REQUEST—DEFINED BENEFIT PLAN FORM*

To withdraw your PERAPLus 401(k)/457 Plan accounts or PERA DC Plan account, call 1-800-759-7372 and select the PERAPLus/DC option.

## COMPLETING THE *REFUND REQUEST—DEFINED BENEFIT PLAN FORM*

- » Use this *Refund Request—Defined Benefit Plan* form to refund your PERA benefit structure and/or DPS benefit structure DB Plan account(s).
- » If you would like to roll over all or a portion of your DB Plan account(s), use the *Rollover Request—Defined Benefit Plan* form on pages 13–15.
- » You must submit a *Refund Request—Defined Benefit Plan* form to PERA with an original signature and notarization; a photocopy or faxed form will not be accepted. Side 2 of this form may be photocopied if you have more than one employer to certify termination of employment.
- » Your signature must be notarized in the Notary Public section on page 19.
- » If you would like to have PERA withhold an additional federal tax amount (20 percent is automatically withheld), call the PERA Customer Service Center for additional information.
- » If your address is outside of the United States, see “If You Are a Nonresident Alien” on page 9 for information about income taxes that may be withheld from your refund.

## PROCESSING TIME FOR THE *REFUND REQUEST—DEFINED BENEFIT PLAN FORM*

- » Generally, your check(s) will be issued within 90 days of receiving a *Refund Request—Defined Benefit Plan* form as long as the form is complete.
- » Incomplete forms will require PERA to request additional information from you to process your refund; if you do not respond to our requests for additional information, your refund will be canceled.
- » The issue date of your check(s) depends on (1) the date PERA receives your *Request* form; (2) the certified date of termination; (3) the end of the month in which you were last on the payroll report; and (4) the date PERA receives any required supplementary documentation.
- » Your check(s) will be mailed to the address you provide on your *Request* form.





Member SSN




See instructions for completing this form to the left on page 18.

## Member Information

Name must be the same as the name on your Social Security card

Your refund check(s) will mail to this address

Name \_\_\_\_\_  
Last First MI  
Address \_\_\_\_\_  
Street City State ZIP Code  
Daytime Telephone ( ) Birthdate \_\_\_\_\_

## Refund

**By requesting a refund of my Defined Benefit (DB) Plan account(s), I understand that:**

- I am refunding my entire DB Plan account(s) to myself, and if I have both a PERA benefit structure and DPS benefit structure account, it applies to both DB Plan accounts.
- Federal income tax will be deducted at a rate of 20 percent from the tax-deferred portion of my refund.
- There may be a 10 percent additional income tax for early distribution imposed by the IRS for refunding. (See "If I Don't Do a Rollover, Will I Have to Pay the 10 Percent Additional Income Tax on Early Distributions?" on page 7.)

## Member Certification

**I have read all of the information provided in the *Refund/Rollover Request* booklet and I understand that by refunding my DB Plan account(s):**

- I will forfeit any rights associated with my present DB Plan account(s), my right to any future benefits with PERA, and I am solely responsible for all taxes and consequences of my decision.
- My refund will be paid to me in the manner I requested, and I understand once it is paid, my refund cannot be reissued or returned to PERA.
- With my signature below, I wish to waive the 30-day waiting period the Internal Revenue Code affords me and I understand that this waiver does not guarantee my refund will be sent to me in less than 30 days. *Note:* Call PERA if you do not wish to waive this waiting period.
- I understand that my DB Plan account(s) will be refunded to me within 90 days of PERA receiving the necessary documentation, which includes any information from me and my former employer(s) to process my refund.

**Sign Here →**

Member Signature \_\_\_\_\_ Date \_\_\_\_\_

## Notary Public

Places for you to have this form notarized include your employer, bank, or at PERA

**Have a notary public complete the certification below (required).**

State of \_\_\_\_\_ County of \_\_\_\_\_  
Acknowledged before me, this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_,  
by \_\_\_\_\_.  
Witness my official hand and seal. Commission expires: \_\_\_\_\_  
Notary Public \_\_\_\_\_

*Form continued on reverse*



## Refund Request—Defined Benefit Plan (Page 2)

Colorado Public Employees' Retirement Association  
PO Box 5800, Denver, Colorado 80217-5800  
1-800-759-PERA (7372) • www.copera.org

Name \_\_\_\_\_ SSN \_\_\_\_\_

### Termination Certification by Former Payroll Office

*If you received a  
paycheck from your  
employer within the  
past 90 days, have  
your employer  
complete this section*

*If you were paid by  
more than one PERA  
employer, make copies  
of this page and  
have each employer  
complete this section*

#### To be completed and signed by payroll office.

**Employer:** Please return this form, which must be signed by a certifying official, promptly to PERA. If the employee has been off your PERA Contribution Report for more than 90 days (unless on a leave of absence), you do not need to complete this certification.

1. Specify the last date the member was or will be paid through (including contract payments and annual leave accrual paid in advance) or the last day of unpaid leave of absence, whichever is later

\_\_\_\_\_  
month/day/year

2. Specify the final month the member will appear on your Contribution Report

\_\_\_\_\_  
month/year

3. Specify the total member contributions (including adjustments) reported for the member on all Contribution Reports submitted for the final month

\$ \_\_\_\_\_

4. Has this member terminated employment? ☐ Yes ☐ No  
If yes, what is the termination date?

\_\_\_\_\_  
month/day/year

\_\_\_\_\_  
Signature and Title of Certifying Official (Payroll Specialist)

\_\_\_\_\_  
Date

( )

\_\_\_\_\_  
Employer Name (please print)

\_\_\_\_\_  
Employer Number

\_\_\_\_\_  
Telephone Number

*Form continued on next page*

**Refund Request—Defined Benefit Plan (Page 3)**

Colorado Public Employees' Retirement Association  
PO Box 5800, Denver, Colorado 80217-5800  
1-800-759-PERA (7372) • [www.copera.org](http://www.copera.org)

Name \_\_\_\_\_ SSN \_\_\_\_\_

**Social Security  
Card**

*Attach a photocopy of  
your Social Security  
card if you worked less  
than 18 months for a  
PERA employer*

**Attach a Legible Photocopy of Your Signed Social Security Card Below.**

- DO NOT SEND YOUR ORIGINAL SOCIAL SECURITY CARD.
- Your Social Security card *must* have your current name.
- If you do not have a copy of your Social Security card or need a new card, contact Social Security at 1-800-772-1213.

Extend transparent tape to edges of card. Do not staple or glue.



## ACCESSING YOUR PERA ACCOUNT


Members and retirees can access their personal PERA information by logging into their accounts through [www.copera.org](http://www.copera.org).

- » You need a User ID and password to access your account. If you have not yet set up your User ID and password, you will first need a PERA Personal Identification Number (PIN).
  - You can request a PIN by clicking on the "PIN Request" link from the "Members" menu on the PERA website. Your new PIN will arrive by mail within seven business days. If you need to access your account before then, please call the PERA Customer Service Center.
  - PERAPlus 401(k), 457, and PERA DC Plan participants are mailed PINs shortly after making the first contribution to the PERAPlus Plan(s). If you have forgotten or misplaced your PIN, you may request a new one by following the steps above.
- » You will then log in with your Social Security number (SSN) and PERA PIN.
  - After logging in with your SSN and PIN, you will be prompted to create a user security profile with a User ID and password.
- » Once your user security profile is complete, you will no longer use your SSN and PIN to access your account. You will use your User ID and password combination instead.
  - You will need to retain your PIN when speaking to a Voya Financial Participant Service Representative to obtain PERAPlus 401(k), 457, and PERA DC Plan information.

If you have any questions about accessing your account, please call the PERA Customer Service Center at 1-800-759-7372.

This booklet provides information about refunding/rolling over your Colorado PERA Defined Benefit account. Your rights, benefits, and obligations as a Colorado PERA member are governed by Title 24, Article 51 of the Colorado Revised Statutes and the Rules of the Colorado Public Employees' Retirement Association, which take precedence over any interpretations in this booklet.

8/3 (REV 4-15) 10M

 Printed on recycled paper

## Contact PERA



Visit PERA's website at  
[www.copera.org](http://www.copera.org).



Call PERA's Customer Service  
Center at 1-800-759-7372.



Visit the PERA offices at  
1301 Pennsylvania Street in  
Denver or in Westminster at  
1120 West 122nd Avenue.



Send mail to PERA at  
PO Box 5800  
Denver, CO 80217-5800



Forms and publications can be found  
on the PERA website. Copies can  
also be requested by calling PERA's  
Customer Service Center.