



# Application for Partial Lump-Sum Payment at Service Retirement

## PURPOSE

Use this form to elect a partial lump-sum payment at service retirement if your employer has authorized this option. A partial lump-sum allows eligible members to receive a one-time payment of up to 100% of their personal deposits and interest at the time of retirement. You are eligible only if your employer has authorized this option and only at the time you apply for service retirement. You still receive a monthly benefit payment but it will be lower than it would be if you did not take the partial lump-sum payment. This is because your monthly benefit payment will be calculated using your remaining personal deposits and interest (if any) and the employer matching dollars. (The employer matching dollars are calculated based on your personal deposits and interest at retirement prior to making the partial lump-sum payment.)

All members interested in receiving a partial lump-sum payment at retirement should request an estimate from TCDRS Member Services to evaluate the impact on their monthly benefit payment.

## INSTRUCTIONS

1. Read the *Special Tax Notice* (TCDRS-87) regarding tax implications.
2. Complete the Member Information section. Be sure to check your marital status.
3. Complete the Payment Method section. Indicate the specific dollar amount or a percentage of your personal account balance you want in a lump sum.
4. Sign and date the Member Certification section.
5. If you are married, your spouse must complete the Spousal Consent section.
6. Send this form to: **TCDRS**, Attn: Member Benefits, P.O. Box 2034, Austin, TX 78768-2034.

## PAYMENT OPTIONS

You can elect to have up to 100% paid directly to yourself as a partial lump-sum payment. With this option, there will be taxes (and possible penalties) deducted from the taxable portion of your payment.

You can elect to rollover up to 100% of the taxable portion of your partial lump-sum amount to a traditional IRA or qualified employer plan. With this payment option, your funds will not be taxed by TCDRS.

## SPOUSAL CONSENT

If you are married, spousal consent is required for your partial lump-sum payment. Please have your spouse complete the Spousal Consent section on page 2.

## MAKING CHANGES TO YOUR PARTIAL LUMP-SUM PAYMENT

- You have until one month after your effective retirement date to make any changes in the payment amount or to cancel your partial lump-sum payment.
- Once the check has been mailed, you have 60 days from the date of the check to change the payment method (lump sum vs. direct rollover). Note: You cannot change the dollar amount.
- To change the payment method, you must return the uncashed check to the TCDRS office. Once you have cashed or deposited the check, you cannot make any changes.

## WHEN TO EXPECT YOUR PAYMENT

- Your partial lump-sum payment will be issued by check and mailed to the address on this application at the same time your first monthly payment is issued.
- Your check cannot be picked up at the TCDRS office.

## CONTACTING TCDRS

If you have any questions, please call TCDRS Member Services at 800-823-7782.

## TCDRS CANNOT ACCEPT

- An incomplete form
- Changes that are not initialed by the person signing the form
- A form that is not signed
- Any form filled out in pencil



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## MEMBER INFORMATION

First Name	Middle Initial or Name	Last Name	Birth Date	Social Security Number
Address			Daytime Phone Number	
City	State	Zip Code	How else can we contact you?	

Are you married?  I **do** have a spouse (see Spousal Consent section below)  
 I **do not** have a spouse (no action required)

## PAYMENT METHOD

(choose a lump-sum payment or direct rollover)

**Lump-Sum Payment**

I elect to have the following amount paid directly to me. I understand that TCDRS will automatically withhold 20% of the taxable amount for federal income tax.

Specified Dollar Amount \$ \_\_\_\_\_ OR \_\_\_\_\_% of my Personal Account Balance  
 (Note: For full account balance, indicate 100%)

**OPTIONAL**

In addition to the automatic 20% that is withheld, please withhold an additional amount for federal income tax.  
 (Dollar amount) \$ \_\_\_\_\_ OR \_\_\_\_\_% (percent)

**Direct Rollover**

IRA

**EMPLOYER PLAN**

I elect to have the following amount of my account balance transferred to the plan named below. I understand that any non-taxable portion or remaining taxable portion (minus 20% for federal income tax) will be paid directly to me. I have verified that the plan below is an eligible plan for the purpose of this transfer.  
 NOTE: TCDRS requests that you do not submit additional rollover paperwork with this application.

NAME OF IRA OR EMPLOYER PLAN	IRA OR EMPLOYER ACCOUNT NUMBER
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Specified Dollar Amount \$ \_\_\_\_\_ OR \_\_\_\_\_% of my Personal Account Balance  
 (Note: For full account balance, indicate 100%)

If you are married, your spouse's consent must be obtained if you selected a partial lump-sum payment at the time of retirement.

## SPOUSAL CONSENT

I certify that I am the spouse of the member. I understand that my spouse is taking a partial lump-sum payment at retirement that will reduce the TCDRS monthly benefit payment. I also understand that the partial lump-sum payment could reduce any death benefits that may be payable to me. In spite of this, I consent to the partial lump-sum payment.

Spouse Signature	Date
X	

## MEMBER CERTIFICATION

I have read this application and the *Special Tax Notice* (TCDRS-87). I understand the impact of this partial lump-sum payment on my monthly benefit payment.

Signature	Date
X	

**Any corrections or whiteouts must be initialed.**