





THRIFT SAVINGS PLAN

PRE SEPARATION TO RETIREMENT & BEYOND

FEB PILOT PROGRAM 2016

SAN FRANCISCO

Presented by
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Office of Communications & Education
Federal Retirement Thrift Investment Board



Agenda

- Preparing for Pre-Separation Preparation
- In-Service Age-Based Withdrawal
- Post-Service Withdrawals
- TSP Retirement Income Calculator
- Withdrawal Rules: Other Considerations
- Death Benefits
- TSP Tips and Resources



First Steps

PREPARING FOR SEPARATION



Have I Saved Enough for Retirement?

Calculators

How Much Should I Save? (Ballpark Estimate)

How Much Will My Savings
Grow?

How Much Can I Contribute?

Paycheck Estimator

Contribution Comparison
Calculator

Retirement Income
Calculator

TSP Monthly Payment
Calculator

Estimate Loan Payments

How Much Should I Save? (Ballpark Estimate)

The TSP is one source of your retirement income. Other major sources of retirement income include your FERS Basic Annuity or CSRS annuity (or your retired pay if you are a member of the uniformed services), Social Security benefits, individual retirement accounts (IRAs), and other savings. To find out how much you need to save for retirement, link to the Federal Government Employees Ballpark Estimate calculator below. The calculator was developed by the American Savings Education Council to calculate how much you need to save each year from now until retirement based on your estimates of retirement income and existing savings.

In-depth Retirement Planning

The Ballpark Estimate calculator is just the first step in retirement planning. For more in-depth planning, you may want to consult a financial advisor or your agency's or service's retirement or benefits counselor, visit the Office of Personnel Management website at www.opm.gov, read books and articles on retirement planning, or use more detailed software to test a variety of assumptions for estimated benefits, expenses, and rates of return.

What You Need for the Ballpark Estimate Calculator

Where to Find Information

- | | |
|---|--|
| 1 Estimate of annual income from FERS Basic Annuity or CSRS annuity. | Contact your agency or service personnel office to find out how to estimate your annual income from your FERS or CSRS annuity. |
| 2 Social Security benefit estimate, if applicable | Get your personalized benefit estimate online by requesting your Social Security Statement at www.socialsecurity.gov/myaccount . |
| 3 Current savings balances | Access your most recent account balance in My Account , or you can call the ThriftLine . Include savings from other retirement investment accounts, as well. |

[Go to Ballpark Estimate Calculator](#)



Contribution Considerations

- The limits on your TSP contributions are annual limits
- It is permissible to contribute the maximum amount over less than the full tax year
- If you embark on a second career, your TSP contributions will be aggregated with contributions to other employer plans made during the same calendar year



Maximizing Your Match

- Ed earns \$3,000 per pay period and contributes 30%
- Susan earns \$3,000 per pay period and contributes \$693

	ED	
	30% EC	4% Match
PC #1	\$900	\$120
PC #2	\$900	\$120
PC #3	\$900	\$120
PC #4	\$900	\$120
.....		
PC #16	\$900	\$120
PC #17	\$900	\$120
PC #18	\$900	\$120
PC #19	\$900	\$120
PC #20	\$900	\$120
.....		
Total PC #20	\$18,000	\$2,400

	SUSAN	
	\$693 EC	4% Matching
PC #1	\$693	\$120
PC #2	\$693	\$120
PC #3	\$693	\$120
PC #4	\$693	\$120
.....		
PC #16	\$693	\$120
PC #17	\$693	\$120
PC #18	\$693	\$120
PC #19	\$693	\$120
PC #20	\$693	\$120
.....		
Total PC #20	\$13,860	\$2,400
PC #25	\$693	\$120
PC #26	<u>\$675</u>	<u>\$120</u>
Total PC #26	\$18,000	\$3,120



Catch-Up Contributions

- Participants turning age 50 or older in the calendar year can make Catch-Up Contributions
 - In addition to the regular TSP contributions
 - Dollar amount only
 - Require a separate election
 - A new election must be submitted for each calendar year
 - Electronic election or TSP-1-C/TSP-U-1-C
- Maximum contribution for 2016 is \$6,000
 - Must self-certify intent to make regular contributions up to the elective deferral limit
- No agency matching on Catch-up contributions



Loan Considerations

- TSP loans can be settled before or within 90 days after separation
- Options
 - Reamortize or make additional payments before separation
 - Report a taxable distribution of the unpaid balance
 - TSP declares taxable distribution upon expiration of the 90-day grace period and reports to IRS
 - Participant can accelerate the distribution by signing “intent not to repay”



Combining TSP Accounts

- Participants with civilian and US TSP accounts can request that the two accounts be combined after separation from service
- Only the account related to the separation can be transferred
- TSP accounts cannot be combined after a full withdrawal request has been processed for the “from” account
- Tax-exempt balance in a uniformed services account cannot be transferred to a civilian TSP account
- If married and transferring the uniformed services account to a Civil Service Retirement System (CSRS) account, notarized spousal consent is required
- See the instructions for Form [TSP-65](#), Request to Combine Civilian and Uniformed Services TSP Accounts, for more information,



Personal Data

- Before separating, ensure that all personal data on file with the TSP is correct
- Report errors to your agency for correction



Thrift Savings Plan



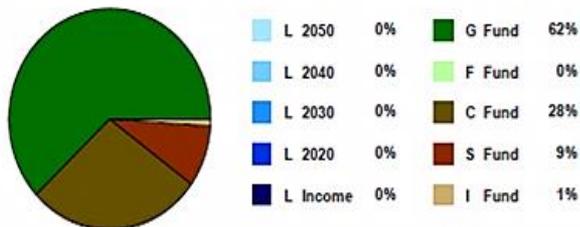
Participant Address

Here's how the value of your TSP account has changed.

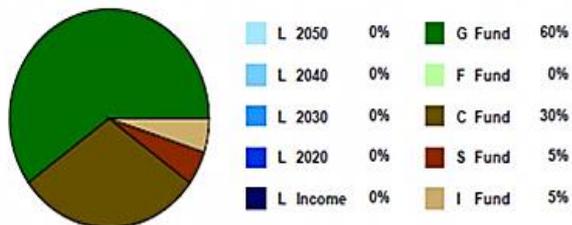
Value on October 1, 2013	\$77,376.86
Contributions and Additions	\$676.08
Withdrawals and Deductions	-\$14,000.00
Investment Gain (or Loss)	\$1,318.74
Value on December 31, 2013	\$65,371.68
Your vested account balance is	\$65,371.68

Account Balance

Your account balance distribution



Your investment allocation for future contributions



Your Quarterly Statement for the period 10/01/2013 – 12/31/2013

Account Number:

Date of Birth: [REDACTED]
 Retirement Coverage: FERS
 Employment Status: Active
 Service Required for Vesting: 3 years from [REDACTED]

Participant Information

A Message for You

Great news! Now you can easily access your TSP account through your Android, iPhone, or similar smartphone by visiting the TSP's website (tsp.gov). You do not need to download an app to use this great feature. Just go to My Account from your smartphone and you will be directed to a mobile version, where you can view your account balance, transaction history, and perform contribution allocations and interfund transfers. Want to visit the non-mobile site? Just select the "Full Site" button on the top right of the screen.

Your Personal Rate of Return

Last 12 Months

10.26%

Rate of Return

Questions? tsp.gov

ThriftLine: 1-TSP-YOU-FRST
 1-877-968-3778
 Outside U.S. and Canada: 404-233-4400
 TDD: 1-TSP-THRIFT5
 1-877-847-4385
 YouTube.com/TSP4gov

To correct personal or contribution information, contact your agency.



IN-SERVICE AGE-BASED WITHDRAWALS



Age-Based Withdrawals

- Participants age 59½ or older may take a lump sum withdrawal (one-time only) while still in service
- Minimum withdrawal is \$1,000; maximum is entire vested account balance
- All or any portion may be transferred to an IRA or another eligible employer plan
- See the instructions for Form TSP-75, Age-Based In-Service Withdrawal Request, for more information

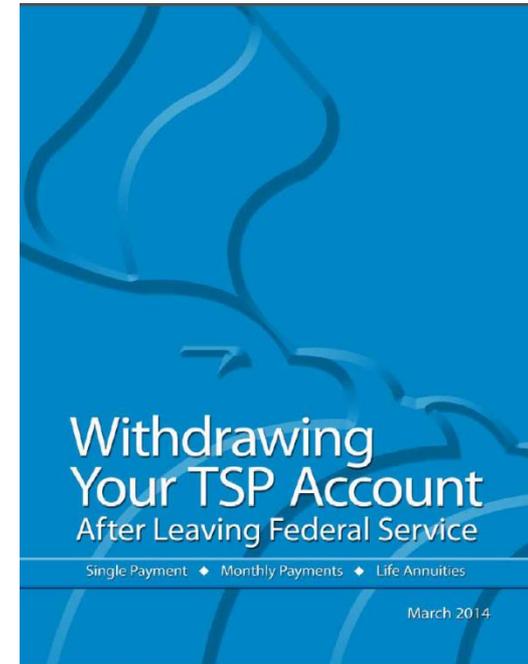


POST-SERVICE WITHDRAWAL OPTIONS



Post-Service Withdrawals

- Deferred Income (Let it in, let it grow)*
- Partial Withdrawal
- Full Withdrawal & Mixed Withdrawal Options
 - Monthly Payments
 - Fixed Dollar Amount
 - Based on Life Expectancy
 - Life Annuity
 - Single Life
 - (Level/Increasing Payment, 10-Year Certain, Cash Refund)
 - Joint Life with Spouse
 - (Level/Increasing Payment, 50%/100% Survivor Benefit, Cash Refund)
 - Joint Life with Non-Spouse
 - (Level Payment, 50%/100% Survivor Benefit, Cash Refund)
 - Single Payment



*Must begin to take Required Minimum Distributions (RMD) by April 1st of the year following the year you become 70½ and are separated from service



Investing After Separation

- Investing After Separation
 - Separated participants can continue to make active investing decisions, including two unrestricted interfund transfers per month
 - Will continue to get market returns depending on which funds you are invested in



Interfund Transfer Limits

For each calendar month, the *first two* interfund transfers redistribute money among any or all of the TSP funds. After that, for the remainder of the month, IFTs can *only* move money into the G Fund.

Example:

1st IFT
of the Month

G	20%
F	
C	
S	
I	
L	80%

2nd IFT
of the Month

G	100%
F	
C	
S	
I	
L	

G	10%
F	
C	40%
S	35%
I	15%
L	

G	60%
F	
C	20%
S	5%
I	15%
L	

G	100%
F	
C	
S	
I	
L	



What will I pay?

TSP



\$0.29 per \$1,000¹

401(k) Plans



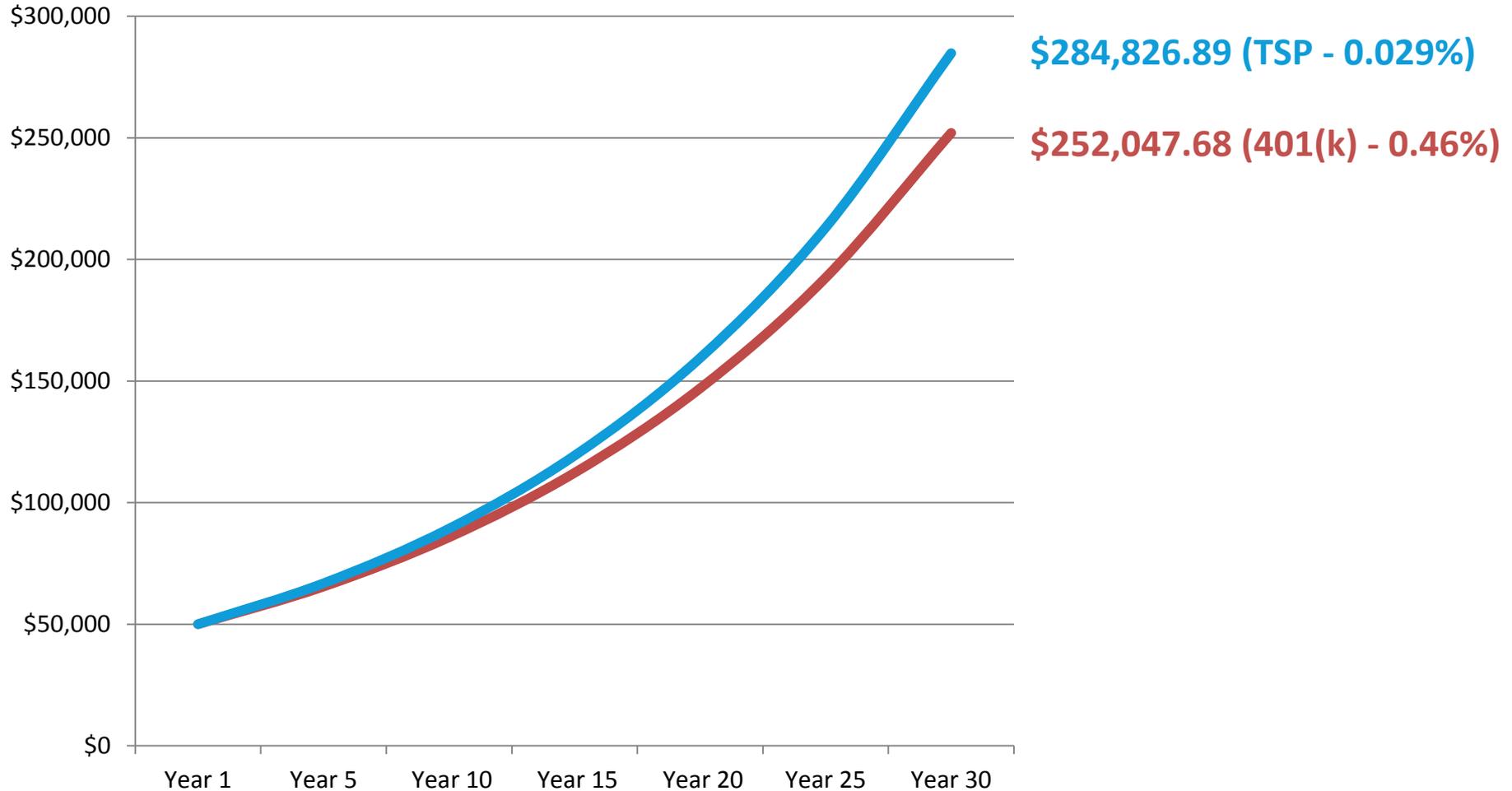
\$4.60 per \$1,000²

¹ Net administrative expenses charged to the TSP participant across all funds, 2015

² Median estimated 401(k) plan fees. Source: *NEPC 2015 Defined Contribution Plan & Fee Survey: What a Difference a Decade Makes*, 2015



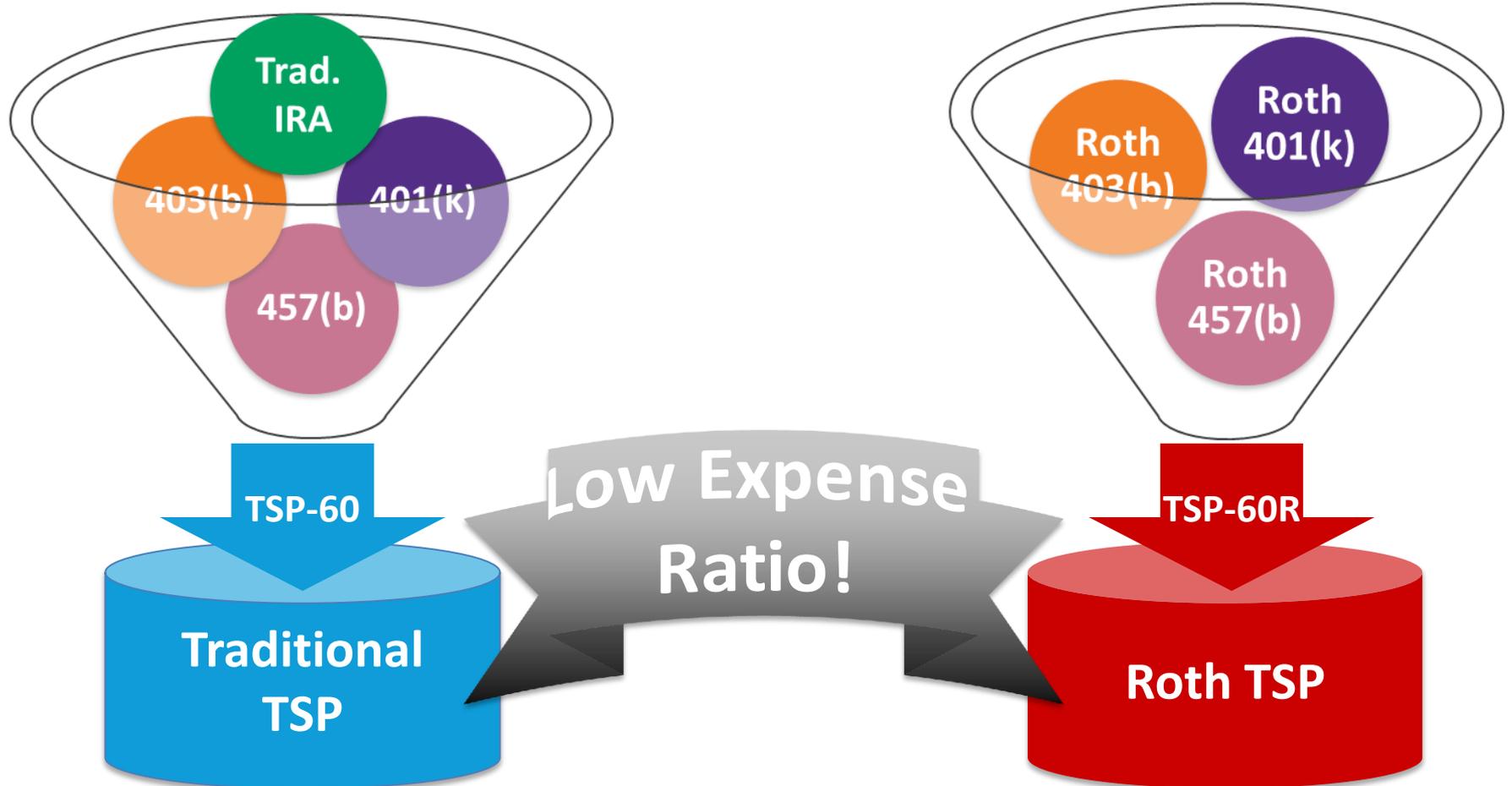
How do these costs affect account growth?



(Assumes a starting balance of \$50,000 and a 6% annual rate of return)



Transfers and Rollovers



Note: Cannot transfer/rollover Roth, Education and Inherited IRA into the TSP



Transfers and Rollovers

- Transfer (*direct rollover*)
 - Money moves directly from one account or retirement plan to the other
 - Participant does not have use of the money
- Rollover (*60-day* or *indirect rollover*)
 - Participant has use of the money for 60-days
 - May result in taxes, withholdings, and/or penalties if not properly executed



Deferred Income

(Leave It In – Let It Grow)

- If you don't need income from the TSP immediately upon retirement, you can leave your savings in the plan and do nothing
- After separation, you can still transfer or roll in money from traditional IRAs or eligible employer retirement plans
- You can continue to build wealth by staying invested in the TSP funds and earning market returns
- Income taxes are deferred until you begin receiving income distributions
- By April 1st of the year following the year you become 70½ and are separated from service, you must begin to take required minimum distributions from your TSP account, to include Roth balance

Projected Account Balance

Your existing account balance

Growth of your existing account balance

Your future contributions

Growth of your future contributions

Total estimated TSP account balance

Projected Account Balance at Retirement

\$50,000.00

\$31,444.73

\$47,080.02

\$13,306.68

\$141,831.43

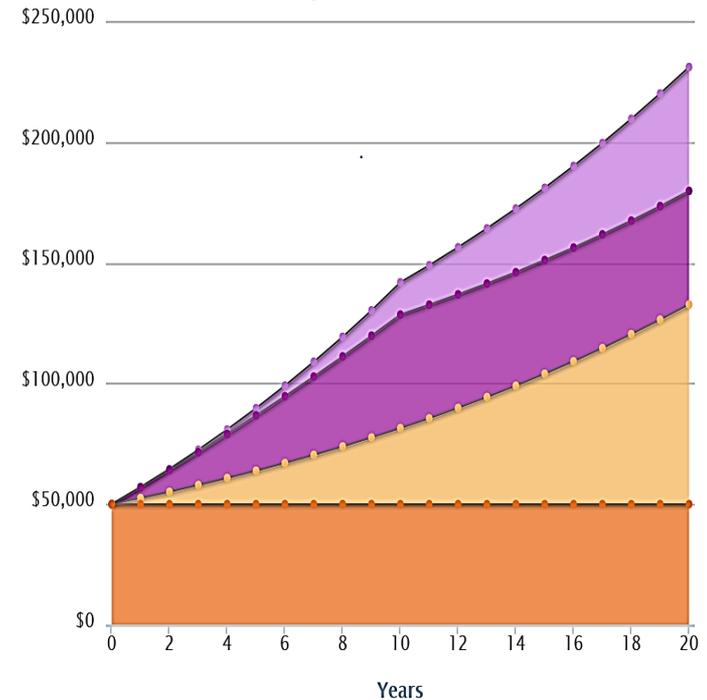
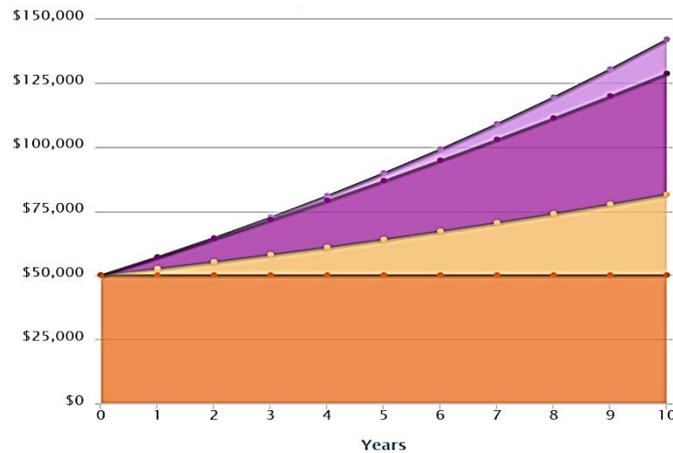
Projected Account Balance after 10 years (assumption: 5% annual return)

\$82,664.90

\$47,080.02

\$51,283.51

\$231,028.43





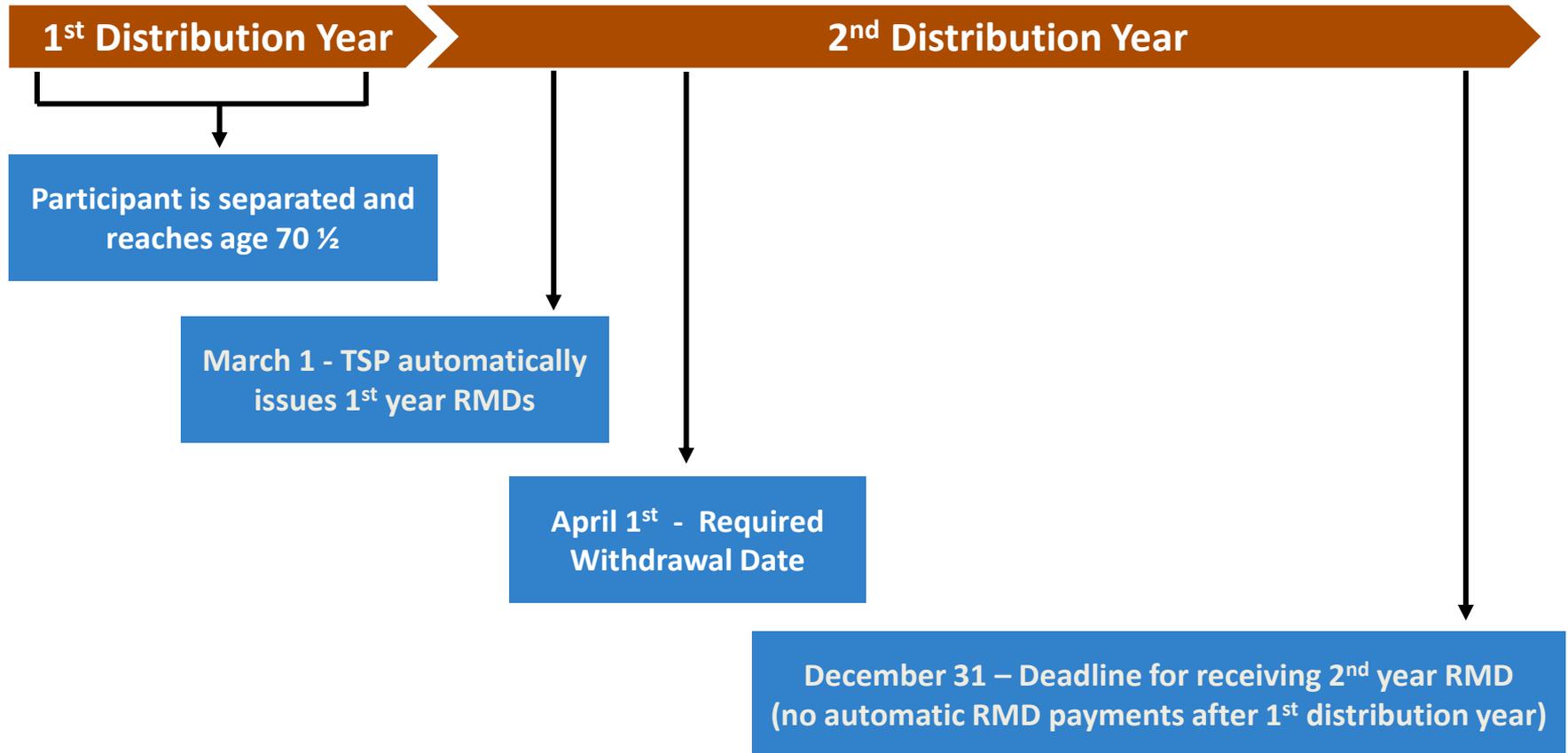
Required Minimum Distributions (RMD)

- Participants age 70½ AND separated must receive (and pay taxes on) income from the TSP every year
- The minimum amount of income (RMD) is recalculated annually
- First year RMD must be received by April 1 of the year following the year you turn 70½
 - Subsequent RMDs must be received by December 31 every year

See TSP tax notice: Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions for more information



Required Minimum Distributions (RMD)





Uniform Lifetime Table

Uniform Lifetime Table for Calculating Minimum Distributions*

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
70	27.4	90	11.4	110	3.1
71	26.5	91	10.8	111	2.9
72	25.6	92	10.2	112	2.6
73	24.7	93	9.6	113	2.4
74	23.8	94	9.1	114	2.1
75	22.9	95	8.6	115+	1.9
76	22.0	96	8.1		
77	21.2	97	7.6		
78	20.3	98	7.1		
79	19.5	99	6.7		
80	18.7	100	6.3		
81	17.9	101	5.9		
82	17.1	102	5.5		
83	16.3	103	5.2		
84	15.5	104	4.9		
85	14.8	105	4.5		
86	14.1	106	4.2		
87	13.4	107	3.9		
88	12.7	108	3.7		
89	12.0	109	3.4		



Partial Withdrawal

- Participant must be separated:
 - one-time only election, minimum \$1000
- Allows participants to take a partial distribution while continuing to enjoy the low costs and other advantages TSP offers
 - **Note:** Option only available if you have not elected an age-based in-service withdrawal or elected a full withdrawal
- Gives participants an opportunity to transfer a portion of their account to an IRA or another qualified plan
- Participant should discuss all options with tax or financial professional before making withdrawal decision



TSP Monthly Income

- Fixed Dollar Amount
 - Amount specified by participant
 - Minimum payment \$25
 - Amount may be changed annually
- Based on Life Expectancy
 - Payments are computed by TSP
 - Amount automatically adjusts annually



Tax Information for TSP Participants Receiving Monthly Payments

Monthly payments are subject to Federal income taxes. The tax rules that applied at the time you chose your monthly payments remain in effect until you make a transaction that changes your payments. This notice explains how certain changes affect how your payment(s) are taxed. The chart on page 2 summarizes the rules that apply to each payment type. The tax rules are determined by the IRS category to which your payments belong. The TSP cannot give tax advice; we are providing this tax information to let you know that monthly payment changes may have tax consequences. The TSP does not withhold for state or local income tax. However, we report all TSP distributions on IRS Form 1099-R to your state of residence if it has an income tax. Because tax rules are complex, you may wish to speak with a tax advisor or with state or local tax officials.

Changing to a final single payment

You can request your remaining account balance at any time using Form TSP-79, Change From Monthly Payments to Final Payment. Because final payments are categorized as "eligible rollover distributions" for Federal income tax purposes, the IRS requires the TSP to withhold a mandatory 20% for Federal income taxes on all taxable portions of your payment. You cannot waive this withholding. However, the TSP will not withhold taxes on amounts that are transferred directly to a traditional individual retirement account (IRA), an eligible employer plan, or a Roth IRA.¹ If your payment is sent directly to you, 20% will be withheld. You will have 60 days to roll over all or part of the payment into a traditional IRA, eligible employer plan, or Roth IRA.

If you elect to transfer or roll over all or part of the traditional (tax-deferred) portion of your payment into a traditional IRA or eligible employer plan, tax on that amount will be deferred until you withdraw the money from the IRA or plan. Alternatively, if you are eligible and elect to transfer or roll over the traditional portion of your payment into a Roth IRA, you will have to pay tax for the year of the transfer because a Roth IRA only accepts after-tax dollars. You will also have to pay tax on any amounts not transferred or rolled over in the current year.

If you elect to transfer or roll over all or part of any Roth portion of your final payment to a Roth IRA or a Roth account maintained by an eligible employer plan, you will not owe taxes on your contributions (because they have already been taxed), and you will defer taxes on your Roth earnings that are not yet qualified.²

Changing your monthly payments

Once a year, you have the opportunity to change your monthly payments using Form TSP-73, Change in Monthly Payment Amount. You can (1) request a different dollar amount, or (2) make a one-time-only change from TSP-computed payments to payments in an amount you specify.

IRS rules for withholding and for transferring or rolling over your payments to avoid withholding will depend on how the IRS categorizes your new monthly payments. The category will depend on the number of monthly payments you will receive after your change goes into effect, and whether the payments are taxable, tax-free, or a combination of the two. (To estimate the number of monthly payments you will receive after your change goes into effect, divide your projected year-end account balance by the monthly dollar amount you will receive after the change.)

If you will be receiving fewer than 120 payments, the IRS will categorize your monthly payments as eligible rollover distributions. For Federal income tax purposes, the IRS will treat them the same way it treats a final payment. Alternatively, if you will be receiving 120 payments or more, the IRS will categorize your payments as "periodic payments." You cannot transfer or roll over periodic payments into an IRA or an eligible employer plan, and withholding for periodic payments will be based on IRS withholding requirements for a person who is married with three dependents. Use Form TSP-78, Monthly Payments Maintenance (or IRS Form W-4P) to increase, decrease, or waive the withholding for your periodic payments.

¹ A traditional IRA, which accepts pre-tax dollars, is any IRA that is not a Roth IRA, a SIMPLE IRA, or an education IRA. An eligible employer plan includes a plan qualified under section 401(a) of the Internal Revenue Code, such as a section 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403(a) annuity plan; a section 403(b) tax-sheltered annuity; and a section 457(b) plan maintained by a governmental employer. A Roth IRA accepts only after-tax dollars, but provides tax-free earnings.

² Earnings on your Roth contributions become "qualified" and are therefore paid tax-free, when 5 years have passed since January 1 of the calendar year you made your first Roth TSP contribution AND you are at least age 59½ or permanently disabled. If you transferred money to your TSP account from a Roth account maintained by an eligible employer plan, the 5-year clock begins on January 1 of the calendar year of the first Roth contribution you made either to your TSP account or to the Roth account of the other employer plan.



Tax Notice

TSP-780 (10/2012)
Previous Editions Obsolete



Changes to Monthly Payments

- You can change:
 - TSP-73, From life expectancy to fixed dollar payments
 - (One-time-only, October 1 - December 15)
 - TSP-73, The amount of your fixed dollar payments
 - (Once a year, October 1 - December 15)
 - TSP-78, The way your monthly payments are handled
 - Direct deposit
 - Transfers
 - Withholdings
 - TSP-79, From monthly payments to a final single payment



TSP Life Annuity

- **TSP Life Annuity**
 - Income is assured for the life of the annuitant(s)
 - Funds are transferred from TSP to the annuity provider, and benefits are “locked in” when the request is processed



Annuity Features

	Single Life	Joint Life with Spouse	Joint Life with Other Survivor
Survivor benefit (50% or 100%)		✓	✓*
Level payments	✓	✓	✓
Increasing payments	✓	✓	
Cash refund	✓	✓	✓
10-year certain	✓		

* 50% survivor benefit only if join annuitant is 10 years younger



Single Payment Withdrawal

- You can request all or any percentage of your account balance as a single payment



Mixed Withdrawal

IV. WITHDRAWAL ELECTION — This section is required. Choose one or more methods. Indicate percentages in whole numbers. If choosing monthly payments, include the dollar amount of each payment **or** choose to have the TSP compute your payments based on your life expectancy.

23. I would like to withdraw my entire account balance as follows:

a. .0% Single Payment

b. .0% Life Annuity (Must equal \$3,500 or more. Also complete Page 6.)

c. .0% TSP Monthly Payments → Tell us how to pay your monthly payments:

100 % (Total a, b, and c)

\$, .00 per month (\$25.00 or more)

OR

Compute my payments based on my life expectancy.



Withdrawal Wizard



My Account

Plan Participation

Investment Funds

Planning & Tools

Life Events

Participant Support

Enter search term(s)



Home > My Account > Withdrawals



Print this page | Text size: + -

Account:

Uniformed Services



Request for Full Withdrawal: Uniformed Services

- 1 About You
- 2 Spouse Information
- 3 Withdrawal Information
- 4 Review Withdrawal
- 5 Certification
- 6 Finish

Account Information

Account Balance

Recent Transactions

Activity Summary

Statements

Correspondence from the TSP

Message Center

Online Transactions

Contribution Allocations

Interfund Transfers

You may withdraw your entire account balance as a Single Payment, a Life Annuity, as TSP Monthly Payments, or any combination of these three options.

Note: The minimum threshold to purchase an annuity is \$3,500. You may choose to purchase an annuity as long as you have at least \$3,500 in your traditional (non-Roth) balance.

Indicate the percentage of your account that you would like for each withdrawal option. Be certain that your percentages total to 100%:

Single payment	<input type="text" value="10"/>	.0 %
Life annuity	<input type="text" value="20"/>	.0 %
TSP Monthly payments	<input type="text" value="70"/>	.0 %
Total	<input type="text" value="100"/>	.0 %

Cancel

◀ Previous

Continue ▶



Important Tax Information About Payments From Your TSP Account

Before you decide how to receive the money in your Thrift Savings Plan (TSP) account, you should review the important information in this notice. Although the TSP can assist you with your withdrawal, we cannot provide tax advice. Because tax rules are complex, you may wish to speak with a tax advisor before you make any withdrawal decisions.

You can find more specific information on the tax treatment of payments from retirement plans like the TSP in IRS Publication 575, *Pension and Annuity Income*, IRS Publication 590, *Individual Retirement Arrangements (IRAs)*, and IRS Publication 721, *Tax Guide to U.S. Civil Service Retirement Benefits*. (See Section 6, Resources.)

1. Your TSP Account Balance

The tax treatment of your payment(s) depends on the type of money you have in your TSP account. Your TSP account may consist of a traditional (non-Roth) balance, a Roth balance, or both.

Your **traditional (non-Roth) balance** is made up of all employee contributions that you designated as traditional when you made your contribution election and the earnings on those contributions. If you are covered by the Federal Employees' Retirement System (FERS), it also includes your Agency Automatic (1%) Contributions, as well as any Matching Contributions made to your account. Earnings on agency (or service) contributions are also a part of your traditional (non-Roth) balance.

Your **Roth balance** is made up of all employee contributions that you designated as Roth when you made your contribution election and the earnings on those contributions. Earnings on all Roth contributions (including tax-exempt contributions) are tax-free provided certain Internal Revenue Service (IRS) rules are met. See Section 2.

If you are a member of the uniformed services serving in a combat zone, your TSP contributions will continue to be made from your tax-exempt pay. Those tax-exempt contributions will be deposited into the balance(s) you choose when you make your TSP contribution election.

2. General Tax Information

If you have traditional (non-Roth) contributions in your TSP account, you have not yet paid taxes on those contributions or the earnings. You will owe taxes on those contributions (except contributions made from tax-exempt pay) and earnings when you receive a payment (distribution) from your account. You may continue deferring payment of taxes by transferring or rolling over the payment to a traditional IRA or an eligible employer plan.

If you have Roth contributions in your TSP account, you have already paid taxes on those contributions. You will not owe taxes on those contributions when you receive a payment (distribution) from your account. The tax treatment of earnings depends on whether the payment is a "qualified distribution," which means that your entire payment is distributed tax-free.

The earnings in your Roth balance become qualified, and are therefore paid tax-free, when the following **two** conditions have been met:

- 1) 5 years have passed since January 1 of the calendar year in which you made your first Roth contribution (this is referred to as the 5-year rule¹), **AND**

¹ If you transferred money to your TSP Roth balance from a Roth account maintained by another employer plan, the 5-year clock begins on January 1 of the year your first contribution was made to your TSP Roth balance or, if earlier, January 1 of the year you made your first contribution to the Roth account of the other employer plan.



Tax Notice

TSP-536 (1/2016)
Previous Editions Obsolete



TSP RETIREMENT INCOME CALCULATOR

Planning & Tools

Learn more about designing your investment plan

Get the most out of your retirement savings by carefully developing a plan for your TSP account.

Investment Strategy

Review a list of questions you should ask yourself before you invest, and find out how to maximize your retirement savings using the benefits of compounding, tax deferral, and account consolidation.

[Learn more](#)

Calculators

Use these calculators to help you plan for a comfortable retirement:



[How Much Should I Save? \(Ballpark Estimate\)](#)



[How Much Will My Savings Grow?](#)



[How Much Can I Contribute?](#)



[Paycheck Estimator](#)



[Contribution Comparison Calculator](#)



[Retirement Income Calculator](#)



[TSP Monthly Payment Calculator](#)



[Estimate Loan Payments](#)



Retirement Planning Phases

It is never too early or too late to take advantage of what the TSP has to offer. Consider how to make your TSP savings work for you through contribution elections, catch-up contributions, and asset allocations throughout your career and as you near retirement.

[Learn more](#)

Living in Retirement

Consider how to adjust your asset allocation and determine an effective withdrawal strategy to meet your unique needs during retirement.

[Learn more](#)

Retirement Income Calculator



About TSP Monthly Payments and Life Annuities

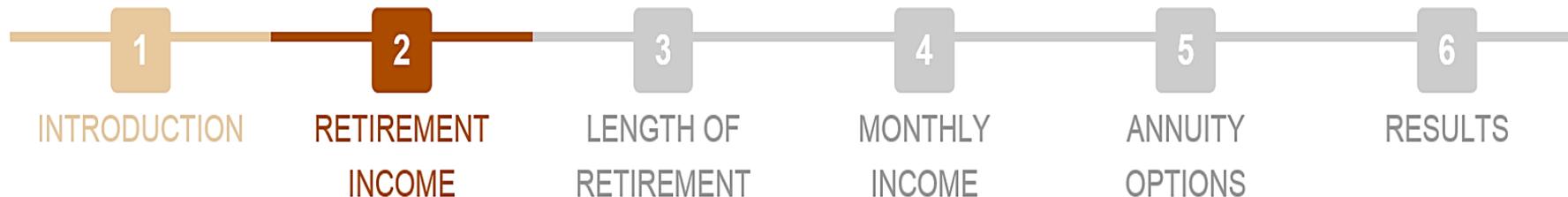
If you want monthly income from your TSP account when you separate from Federal service, you have two options:

TSP monthly payments and a **life annuity** ([View Feature Comparison Chart](#)).

This calculator will help you decide whether receiving monthly income is right for you by comparing the available options and features that might meet your needs. (If you are currently receiving TSP monthly payments and you want to do some calculations to choose a different payment amount, use the [Monthly Payment Calculator](#).)

Get Started

Retirement Income Calculator



Answer all of the questions in this calculator to help you decide which monthly income options and features meet your needs. At the end, you will be able to view and compare all your monthly income options.

What amount from your TSP account do you want to use for monthly income?

\$.00

For example: If your TSP account balance at retirement is \$500,000, and you take a [partial withdrawal](#) of \$100,000 to buy a home, you will have \$400,000 available for monthly income.

Retirement Income Calculator



Length of Retirement Planned

What is your current age?

At what age do you want to start receiving monthly income from the TSP?



Is there a withdrawal deadline?

You are required to make a withdrawal election by April 1 of the year after you turn age 70½, or April 1 of the year after you leave Federal service, whichever is later.

To what age do you expect to live?



Will you outlive your savings?

There's no way to know for sure whether your savings will last throughout your retirement, but you may spend almost as many years living in retirement as you did working. [Learn more about longevity risk](#)

Please select the month in which you were born.

[View Feature Comparison Chart](#)

◀ Previous

Continue ▶

Retirement Income Calculator



Now answer these questions about TSP monthly payments.

What amount do you want to receive each month?

\$.00

Indicate a rate of return (e.g., 5%), if you would like your calculation based on an assumed annual earnings rate. If you enter nothing here, your monthly payment calculation will not include projected earnings. [Learn more about rate of return](#)

%

[View Feature Comparison Chart](#)

◀ Previous

Continue ▶

Retirement Income Calculator



Tell us your TSP life annuity needs and preferences.

In the event of your death, is there someone who will be dependent on your TSP monthly income?

- Yes
- No



Joint Life Annuities.

If you choose any of the joint life annuities, your monthly annuity payments will be less than if you had chosen a single life annuity. Also, keep in mind that if you choose a joint life annuity with a 50% survivor benefit, the monthly annuity payment will be cut in half when either you or your joint annuitant dies.

[View Feature Comparison Chart](#)

◀ Previous

Continue ▶

Retirement Income Calculator



Annuity Dependent Options

Who is the person dependent on your TSP monthly income?

- Spouse
- Other

What is your joint annuitant's (spouse or other survivor) current age?

[View Feature Comparison Chart](#)

◀ Previous

Submit

Retirement Income Calculator



Your Results

Based on the information that you provided, the following payment amounts have been calculated for you. Click on the following tabs to see all of the payment options and amounts available to you.

Overview **TSP Monthly Payments** Single Life Annuity Joint Life with Spouse Annuity Joint Life with Other Survivor Annuity

TSP Monthly Payments

Change Options

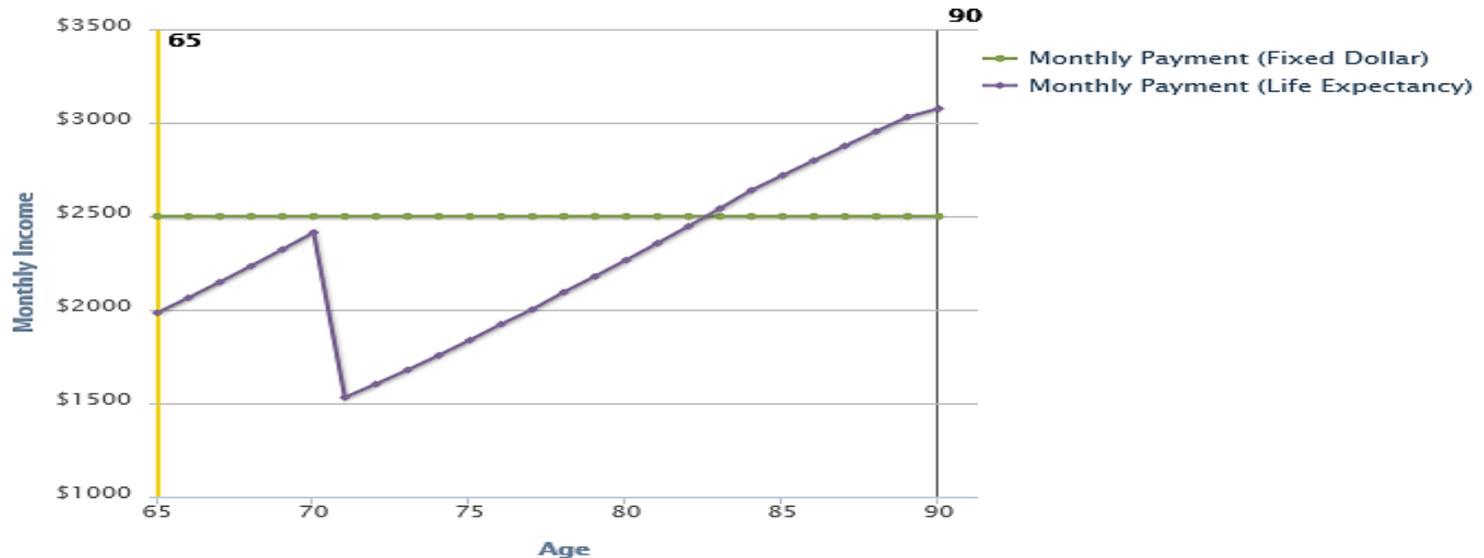
Printer-Friendly Report

Graph Table Combined

Monthly Income by Age in Retirement

Roll over the graph below to view your monthly income amounts by age in retirement.

Click on the items below to view or hide them on the graph.



Retirement Income Calculator



Your Results

Based on the information that you provided, the following payment amounts have been calculated for you. Click on the following tabs to see all of the payment options and amounts available to you.

Estimated monthly annuity payments are based on an annuity interest rate index of: 1.875%.

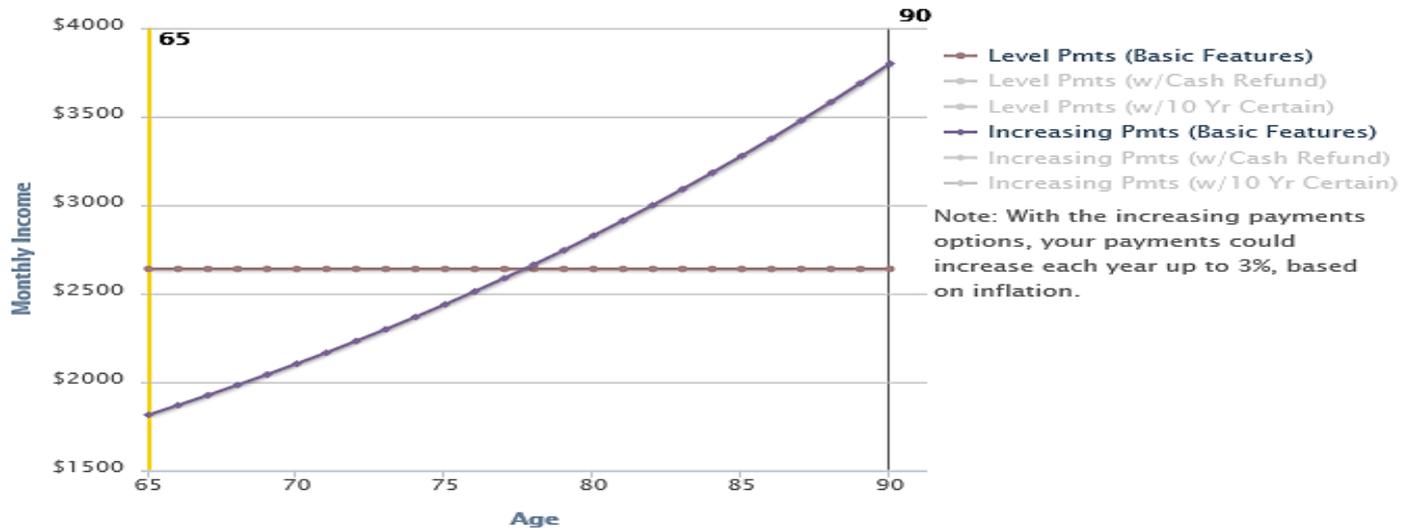
Overview TSP Monthly Payments **Single Life Annuity** Joint Life with Spouse Annuity Joint Life with Other Survivor Annuity

Single Life Annuity [Change Options](#) [Printer-Friendly Report](#)

- Graph Table Combined

Monthly Income by Age in Retirement

Roll over the graph below to view your monthly income amounts by age in retirement. Click on the items below to view or hide them on the graph.



Retirement Income Calculator



Your Results

Based on the information that you provided, the following payment amounts have been calculated for you. Click on the following tabs to see all of the payment options and amounts available to you.

Estimated monthly annuity payments are based on an annuity interest rate index of: 1.875%.



Overview | TSP Monthly Payments | Single Life Annuity | **Joint Life with Spouse Annuity** | Joint Life with Other Survivor Annuity

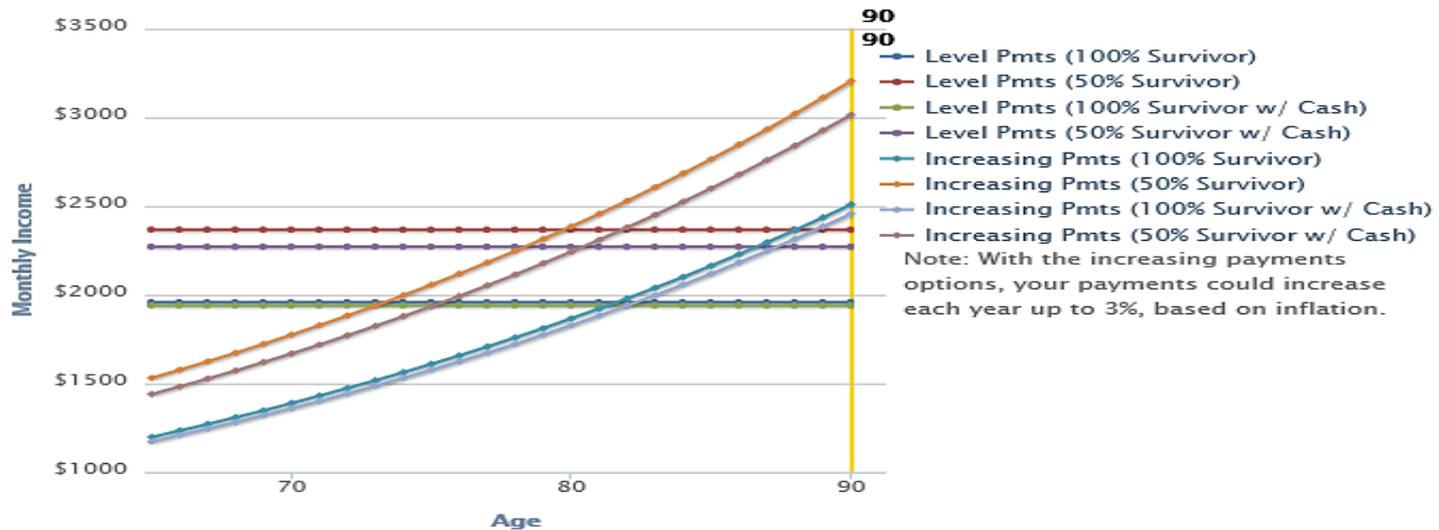
Joint Life with Spouse Annuity Change Options Printer-Friendly Report

Graph Table Combined

Monthly Income by Age in Retirement

Roll over the graph below to view your monthly income amounts by age in retirement.

Click on the items below to view or hide them on the graph.



Age	Level Payments				Increasing Payments			
	100% Survivor	50% Survivor	100% Survivor w/Cash	50% Survivor w/Cash	100% Survivor	50% Survivor	100% Survivor w/Cash	50% Survivor w/Cash
65	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,198.00	\$1,531.00	\$1,173.00	\$1,440.00
66	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,234.00	\$1,577.00	\$1,209.00	\$1,483.00
67	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,271.00	\$1,624.00	\$1,245.00	\$1,527.00
68	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,309.00	\$1,673.00	\$1,282.00	\$1,573.00
69	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,348.00	\$1,723.00	\$1,321.00	\$1,620.00
70	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,389.00	\$1,775.00	\$1,360.00	\$1,669.00
71	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,431.00	\$1,828.00	\$1,401.00	\$1,719.00
72	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,474.00	\$1,883.00	\$1,443.00	\$1,771.00
73	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,518.00	\$1,939.00	\$1,487.00	\$1,824.00
74	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,563.00	\$1,997.00	\$1,531.00	\$1,879.00
75	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,610.00	\$2,057.00	\$1,577.00	\$1,935.00
76	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,658.00	\$2,119.00	\$1,624.00	\$1,993.00
77	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,708.00	\$2,182.00	\$1,673.00	\$2,053.00
78	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,759.00	\$2,248.00	\$1,723.00	\$2,114.00
79	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,812.00	\$2,315.00	\$1,775.00	\$2,178.00
80	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,867.00	\$2,385.00	\$1,828.00	\$2,243.00
81	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,923.00	\$2,456.00	\$1,883.00	\$2,310.00
82	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$1,980.00	\$2,530.00	\$1,940.00	\$2,380.00
83	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,040.00	\$2,606.00	\$1,998.00	\$2,451.00
84	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,101.00	\$2,684.00	\$2,058.00	\$2,525.00
85	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,164.00	\$2,765.00	\$2,119.00	\$2,600.00
86	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,229.00	\$2,848.00	\$2,183.00	\$2,678.00
87	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,296.00	\$2,933.00	\$2,248.00	\$2,759.00
88	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,365.00	\$3,021.00	\$2,316.00	\$2,841.00
89	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,436.00	\$3,112.00	\$2,385.00	\$2,927.00
90	\$1,958.00	\$2,367.00	\$1,941.00	\$2,271.00	\$2,509.00	\$3,205.00	\$2,457.00	\$3,014.00



Withdrawal Rules

OTHER CONSIDERATIONS



Submitting Withdrawal Forms

- Separated participants should not submit withdrawal forms until officially separated and the separation code is received by the TSP
- Married participants must print their withdrawal form from the TSP website
 - Provide notarized participant signature
 - Return the withdrawal request to the TSP for processing



Spouses' Rights

Retirement Plan	Requirement*	Exceptions [†]
<p style="text-align: center;">FERS or Uniformed Services</p>	<p>Notarized spouse signature required**</p>	<p>Whereabouts unknown or exceptional circumstances - TSP-16 or TSP-U-16 required</p>
<p style="text-align: center;">CSRS</p>	<p>Spouse is entitled to notification of the participant's withdrawal election</p>	<p>Whereabouts unknown - TSP-16 required</p>

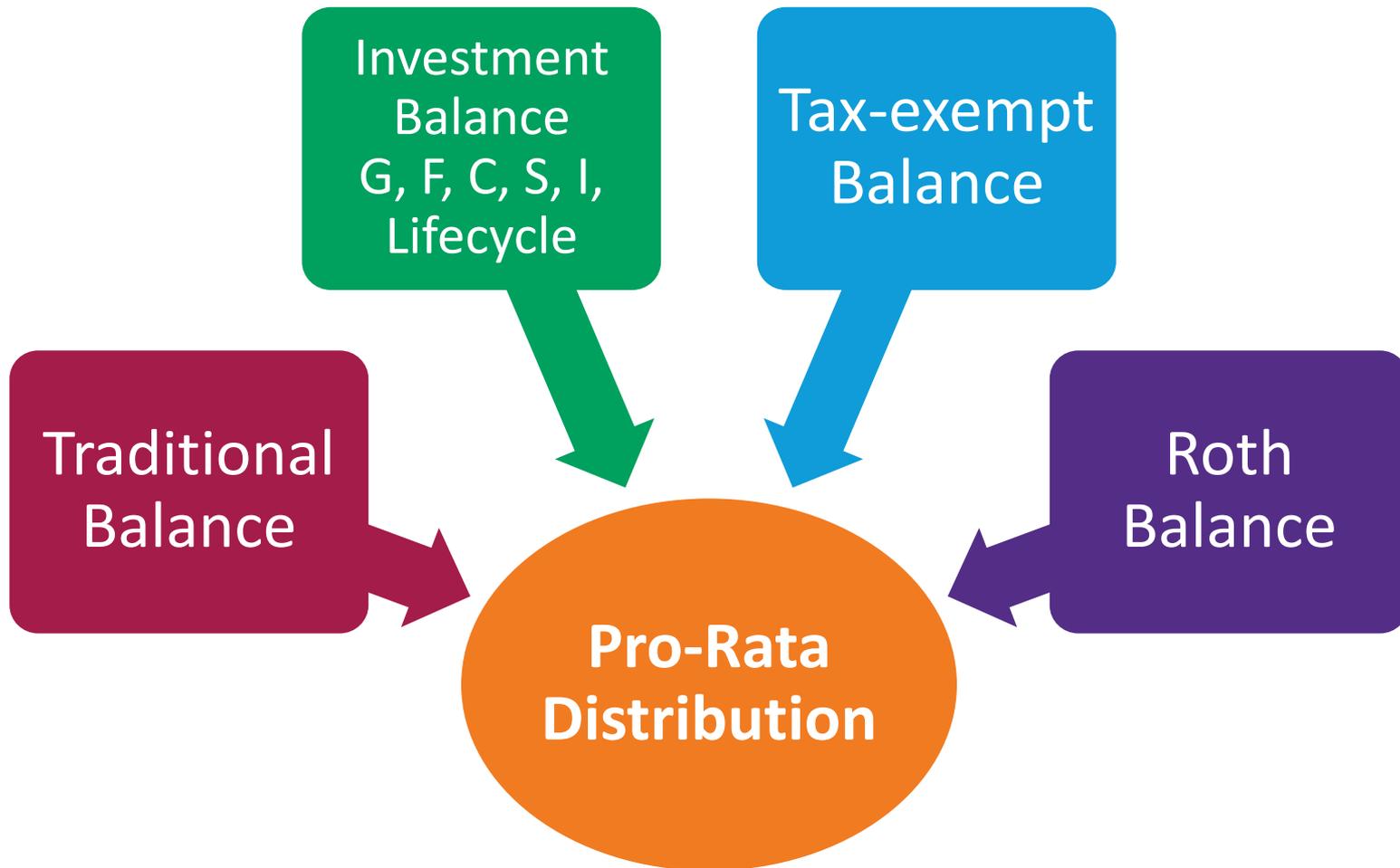
* If account balance is less than \$3,500, spouse's signature/notice is not required

**If married but no spouse signature: Spouse is entitled to a Joint Life Annuity with 50% Survivor Benefits, Level Payments, and no cash refund feature

[†] Waiver of spouse's signature/notification valid for 90 days from approval



Pro-Rata Distribution Rule



Pro-Rata: All withdrawal options will be paid proportionally from each balance



Tax Withholdings & Portability

Type of Payment	Eligible for transfer or rollover?	Federal income tax withholding rate
Lump sum distributions: Single payments, age-based and partial withdrawals, final withdrawal following a series of monthly payments	Yes	20% (mandatory) unless transferred
Monthly payments for less than 10 years (Payment Type: Eligible Rollover Distribution)	Yes	20% (mandatory) unless transferred
Monthly payments for 10 years or more (Payment Type: Periodic Payments)	No	As if Married w/3 (may be decreased or waived)
Monthly Payments based on life expectancy	No	As if Married w/3 (may be decreased or waived)



Changing Payment Scenario

Before (2015)

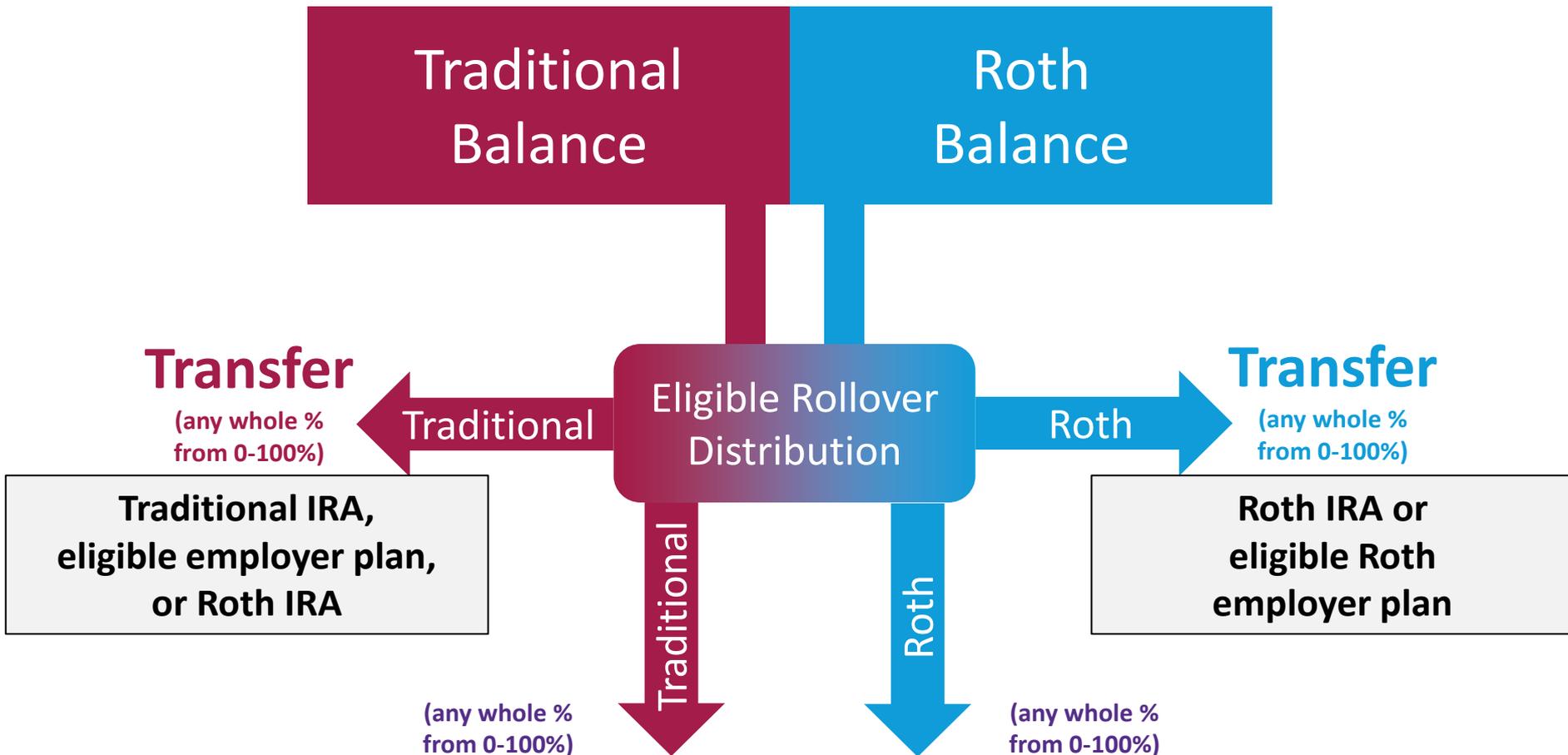
- Opening balance - \$105k
- Monthly payment - \$800
- Estimated number of payments - 132
- Payment type - periodic payments
- Withholding- As if married with 3 dependents
- Net monthly payment - \$800

After (2015)

- Opening balance - \$100k
- Monthly payment - \$850
- Estimated number of payments - 117.6
- Payment type - eligible rollover distribution
- Withholding (20%) - \$170
- Net monthly payment - \$680

Eligible Rollover Distributions

TSP Account



Distribution to Participant

Whatever isn't transferred will be distributed and is eligible to be rolled over within 60 days



Keeping Score?

If you're thinking about moving the money in your TSP account to another plan, don't get blindsided. Ask the provider these questions first and see how the answers compare to the TSP.

	Plan "X"	TSP
1 What is the average net expense I'll pay for every \$1,000 I invest?		29¢*
2 What additional annual fees, commissions, or charges will I pay for investments?		\$0.00
3 What profit do you make if I invest with you?		\$0.00
4 Do you have a responsibility (fiduciary obligation) to put my interests ahead of your own?		Yes
5 Will your plan protect my retirement funds from creditors' claims?		Yes
6 When I'm ready to retire, can you set up a series of scheduled withdrawals so I can receive income without giving up control of my account?		Yes
7 Can I change my investments or take withdrawals without being subject to surrender fees or back-end charges?		Yes

So how did we measure up? We think that when you see the final tally, you'll decide that other plans just can't compete. Not that we're keeping score.

* Net expenses charged to TSP participants in 2013





Exceptions to the IRS Early Withdrawal Penalty

The 10% IRS Early Withdrawal Penalty does not apply to payments that are:

- Received at age 59½ or later
- Received after you separate/retire during or after the year you reach age 55 (or the year you reach age 50 if you are a public safety employee as defined in section 72(t)(10)(B)(ii) of the internal revenue code)
- TSP monthly payments based on life expectancy
- Annuity payments
- Ordered by a domestic relations court
- Made because of death
- Made from a beneficiary participant account
- Received in a year you have deductible medical expenses that exceed 10% of your adjusted gross income (7.5% if you or your spouse is 65 or over)
- Received as a result of total and permanent disability*



* Participant must provide the justification to IRS when they file their taxes



Planning Your Legacy

TSP DEATH BENEFITS



Death Benefits

- To Whom
 - Based on Form [TSP-3](#), Designation of Beneficiary
 - Participant responsible for mailing or faxing form directly to TSP
 - Do not submit forms to agency/service
 - If there is no TSP-3 on file at the TSP, then statutory order of precedence:
 - Spouse, natural and adopted children, parents, estate, next of kin
- How paid
 - Death reported on Form [TSP-17](#), Information Relating to Deceased Participant
 - The beneficiary will receive IRS Form 1099-R reporting the distribution

See tsp.gov/lifeevents or the TSP booklet, Death Benefits, for more information



Payments to Spouse Beneficiaries

- Spouse beneficiaries automatically have a beneficiary participant account (BPA) established upon notification of death of TSP participant
- Balance is automatically invested in the beneficiary's age appropriate L Fund
- Beneficiary participants have same investment and withdrawal options as separated TSP participants
 - Exception: TSP cannot accept transfers or rollovers from other equivalent employer plans or IRAs (traditional or Roth) into BPAs
 - Interfund transfers to any TSP investment funds are permitted



Payments to Spouse Beneficiaries

- Spouse may designate beneficiaries using Form TSP-3
- Death benefit payments from a BPA are single payments to the designated beneficiaries; cannot be transferred or rolled over to an IRA (to include inherited IRA) or eligible employer plan
- Required Minimum Distribution from BPA is based on the age of the TSP participant



Payments to Non-Spouse Beneficiaries

- Paid as a single payment
 - Taxable portion of payments to beneficiary subject to 20% tax withholding
 - Payments transferred to an inherited IRA account not subject to withholding
- The benefits of an Inherited IRA
 - Allows beneficiaries, other than spouse, to take the IRC minimum required distribution amount based on their age
 - If a 24-year-old beneficiary's entitled amount is \$100,000, the IRC minimum required distribution must start by December 31 the year following the TSP participant's death
 - The first year IRC minimum required distribution would be \$1,720 based on age 25
 - The remaining balance continues to grow
 - Each year the IRC minimum required distribution increases slightly providing a lifetime benefit
- Inherited IRAs are complicated and a tax professional or IRA provider should be contacted to discuss this option



TSP TIPS & RESOURCES

MY ACCOUNT

TSP Account Number

OR

User ID

▶ [Forgot your account number or user ID?](#)

[Log In](#)

HOW THE TSP FITS INTO FERS

[▶ Watch now](#)

Plan Participation

How to set up and manage your TSP account

- TSP and Your Retirement
- Enrolling in the TSP
- Investing Contributions

[Learn more ▶](#)

Investment Funds

Information on TSP fund options and performance

- Fund Comparison
- Lifecycle Funds
- Share Prices
- Monthly Returns

[Learn more ▶](#)

Planning & Tools

Retirement planning and tools for all career stages

- Before You Invest
- Maximize Your TSP Savings
- Calculators

[Learn more ▶](#)

Life Events

Help with life events affecting your TSP account

- Entering Gov't Service
- Called to Active Duty
- Family Changes

[Learn more ▶](#)

BULLETIN BOARD

- [Information for Federal Public Safety Employees \(Updated\)](#)
- [How can compound earnings work for me?](#)
- [OPM Cybersecurity Incident \(Updated\)](#)
- [Trouble with Your TSP Password? \(Updated\)](#)
- [How the TSP Fits Into FERS](#)
- [Add your email address to your TSP account](#)
- [1st quarter participant statements are online and in the mail](#)
- [G Fund and the debt limit](#)

QUICK LINKS

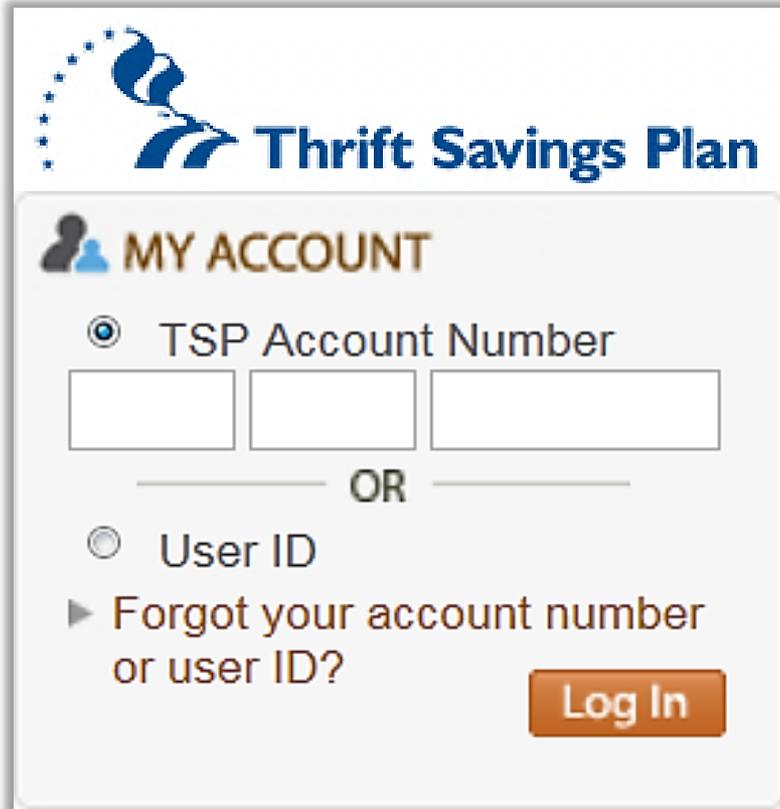
- ▶ [Change Your Address](#)
- ▶ [Forms & Publications](#)
- ▶ [Loan and Annuity Rates](#)
- ▶ [Fund Performance](#)
- ▶ [Contribution Limits](#)
- ▶ [Email Updates](#)
- ▶ [TSP Training for Benefits Officers](#)
- ▶ [Account Security](#)

ACCOUNT SHORTCUTS

- ▶ [Account Balance](#)
- ▶ [Recent Transactions](#)
- ▶ [Contribution Allocation](#)
- ▶ [Interfund Transfer](#)
- ▶ [Statements](#)



TSP Website (www.tsp.gov)



The screenshot shows the Thrift Savings Plan website's login interface. At the top left is the Thrift Savings Plan logo. Below it, the text "MY ACCOUNT" is displayed next to a person icon. There are two radio button options: "TSP Account Number" (which is selected) and "User ID". Under the "TSP Account Number" option, there are three input boxes for the account number, separated by dashes. Below these boxes is the word "OR" flanked by horizontal lines. Under the "User ID" option, there is a link that says "Forgot your account number or user ID?". At the bottom right of the login area is a "Log In" button.

Access Your Account

- View account balance
- View Annual & Quarterly Statements
- Change your contribution allocation
- Request inter-fund transfers
- Request loans and withdrawals
- Create (or change) a user ID
- Change or request a Web password

[My Account](#)

[Plan Participation](#)

[Investment Funds](#)

[Planning & Tools](#)

[Life Events](#)

[Participant Support](#)



Contacting the TSP

TSP Website
www.tsp.gov

Log into your account from the home page:

MY ACCOUNT
TSP Account Number
User ID
Forgot your account number or user ID?

You can:

- View your account balance
- Change your contribution allocation
- Request an interfund transfer
- Request a loan or withdrawal
- Create (or change) a user ID
- Change or request a Web password

Learn about:

- Benefits of TSP participation
- TSP eligibility and how to establish your account
- Contribution types and limits
- Rollovers and transfers
- Contribution allocations and interfund transfers
- Loans and withdrawals

Get information on:

- TSP fund options
- Earnings components and expense relief
- Daily and historical share prices
- Current and historical rates of return

Learn how to:

- Develop an investment strategy
- Maximize your retirement savings
- Determine how much to save and contribute
- Use the calculators to estimate loan payments, TSP monthly payments, and annuity payments

Manage your TSP account when you:

- Enter or leave Government service
- Get married, have children, or get divorced
- Are called to active duty

Get quick access to:

- Current limits and rates
- TSP forms and publications
- Plan news

ThriftLine
1-TSP-YOU-FRST®
(1-877-968-3778)



* Outside U.S. and Canada: 404-233-4400 (not toll free)

** If you have both a civilian and a uniformed services account, you will be taken to the account that is specific to the PIN you entered. If you have customized your PIN to be the same for both accounts, you will be asked which account you wish to access.

TSP/For (1/2015)



TSP4gov is the official YouTube channel of the Thrift Savings Plan

Learn more

TSP IS NOW ON TWITTER!



FOLLOW US @TSP4GOV



Secure Message Center: Civilian

Answer Center

Messages

The answers to many of your questions can be found right here in the Message Center. If you don't see your question in the list of frequently asked questions, you can search for the answer using our search tool below.

Find an Answer

Go



TSP Publications

Question	Answer
1. Will the change require TSP payments?	Yes
2. Will the change require a TSP loan?	No
3. Will the change require a TSP withdrawal?	No
4. Will the change require a TSP distribution?	No
5. Will the change require a TSP rollover?	No
6. Will the change require a TSP annuity?	No
7. Will the change require a TSP annuity?	No



Post-Training Survey

tspfeb.questionpro.com

