



THRIFT SAVINGS PLAN

FEB PILOT PROGRAM (PART II)

PRE-SEPARATION

MEI SHAN JO KAMMER, **AWMA[®]**, **CRPC[®]**, **AFC[®]**



**FEDERAL RETIREMENT THRIFT
INVESTMENT BOARD**
77 K Street, NE Washington, DC 20002
1-877-968-3778 · TSP.GOV

Part II -Agenda

- Preparing for Separation
- Turning Savings to Income:
 The TSP Retirement Income Options
- Withdrawal Rules: Other Considerations
- Planning Your Legacy:TSP Death Benefits
- TSP Resources



Preparing for Separation

Your TSP Savings Goal

$$\begin{array}{l} \textit{Expected need} \\ - \textit{Expected fixed income} \\ \hline \textit{TSP SAVINGS GOAL} \end{array}$$

Pre-Separation Contribution Considerations

The limits on your TSP contributions are annual limits

Your TSP contributions and any other contributions you make to employer plans* during the same calendar year count toward the IRS elective deferral limit

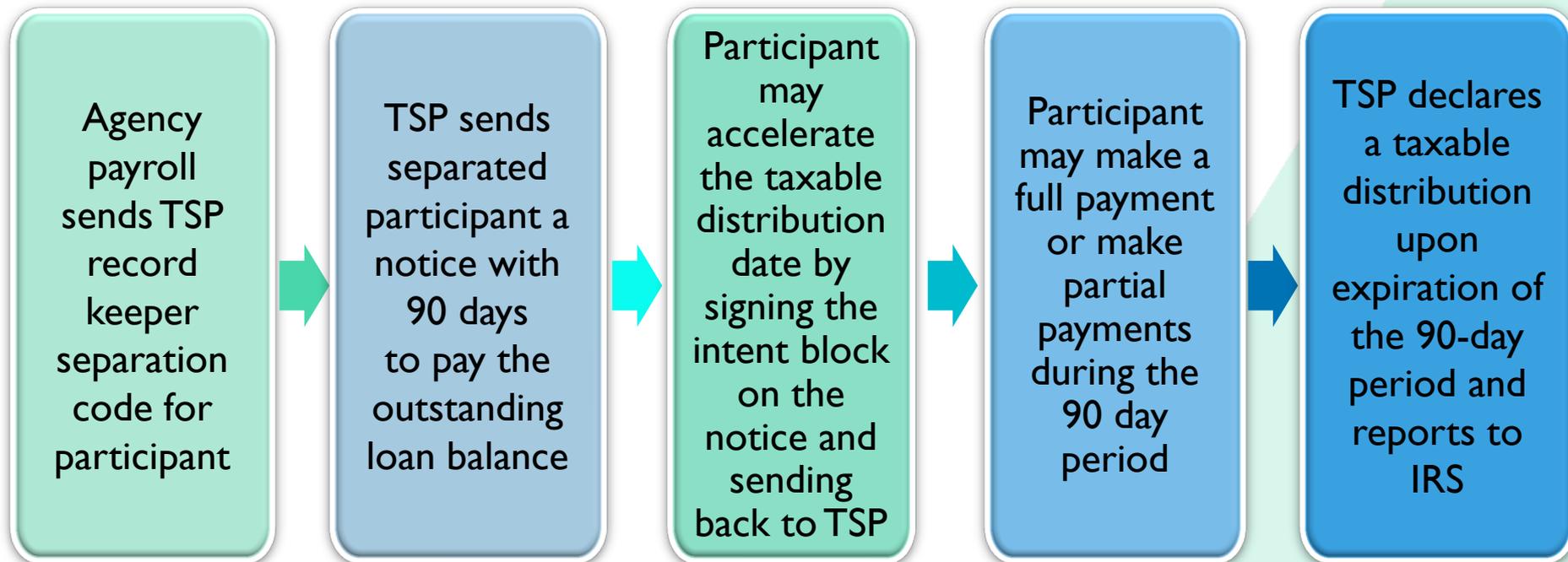
It is permissible to contribute the maximum amount over less than the full tax year



*Governmental 457(b) plans have separate limit

Loans and Separation from Federal Service

- TSP loans must be settled within 90 days of separation to avoid a taxable distribution
- Participant may reamortize or make additional payments prior to separation
- No post-service withdrawals will be processed until loan has either been paid in full or a taxable distribution of remaining balance has been declared



Make sure your personal data is correct

Participant Address

Before separating, ensure that all personal data on file with the TSP is correct

Thrift Savings Plan

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

Account Number: [REDACTED]

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

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%

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

To correct personal or contribution information, contact your agency.

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

Value on October 1, 2013	\$77,376.86
Contributions and Additions	\$878.08
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

Your account balance distribution

L 2050	0%	G Fund	62%
L 2040	0%	F Fund	0%
L 2030	0%	C Fund	28%
L 2020	0%	S Fund	9%
L Income	0%	I Fund	1%

Your investment allocation for future contributions

L 2050	0%	G Fund	60%
L 2040	0%	F Fund	0%
L 2030	0%	C Fund	30%
L 2020	0%	S Fund	5%
L Income	0%	I Fund	5%

Participant Information

Report errors to your agency for correction



The TSP Retirement Income Options

Turning Savings to Income



Consider Your Options

- If you don't need income from your account immediately and your balance is at least \$200, you can leave your savings in the plan until you're ready
- According to IRS rules, you must begin to take "Required Minimum Distributions" by April 1st of the year following the year you become 70½ AND are separated from service, **but there's no requirement to take all of your money out after you separate**
- Once you separate, you can still transfer or roll over balances from traditional IRAs or eligible employer retirement plans into the TSP
- All of this means, you can continue to:
 - Make changes to your investment mix by making interfund transfers
 - Take advantage of the TSP's ultra low costs and the well designed investment fund options
 - Defer income taxes on your TSP balance until you're ready to begin receiving distributions



Post-Service Withdrawals

Partial Withdrawal

- Lump Sum

Full Withdrawal Options

- Monthly Payments
- Life Annuity
- Lump Sum
- Combination of any of the above



See tsp.gov/plan participation or the TSP booklet, *Withdrawing Your TSP Account*, for more information

Partial Withdrawal

- A partial withdrawal is a lump sum withdrawal of any amount from \$1,000 up to your entire balance
- You may take a partial withdrawal if you:
 - Have not previously requested a partial or full withdrawal
 - Have not taken an age-based in-service withdrawal

THRIFT SAVINGS PLAN TSP-77
REQUEST FOR PARTIAL WITHDRAWAL WHEN SEPARATED

I. INFORMATION ABOUT YOU

1. This request applies to my: Civilian Account OR Uniformed Services Account

2. Last Name First Name Middle Name

3. TSP Account Number 4. Date of Birth (mm/dd/yyyy) 5. Daytime Phone (Area Code and Number)

6. Foreign address? Check here. 7. Street Address or Box Number (For a foreign address, see instructions on back.)
Street Address Line 2

8. City 9. State 10. Zip Code

II. PARTIAL WITHDRAWAL REQUEST

11. Amount you want to withdraw: \$ _____,000 (amount must be \$1,000 or more)

III. TRANSFER ELECTION

12. I would like to **transfer** all or a portion of my withdrawal request to an IRA or eligible employer plan. (Note: You must include the completed applicable transfer page(s) from this form with your withdrawal request package.)

IV. DIRECT DEPOSIT INFORMATION — This section is optional. Complete this section if you want the portion of your withdrawal that is **not** being transferred (Sections IX–XII) directly deposited into your checking or savings account.

13. Type of Account: Checking Savings

14. Name of Financial Institution

15. ACH Mailing Number (Must be original) 16. Checking or Savings Account Number

V. ADDITIONAL TAX WITHHOLDING — This section is optional. If you would like more than the mandatory 20% Federal tax withholding, complete this section. If a portion of your withdrawal is a Required Minimum Distribution, the TSP must withhold 10% of that portion. Withholding does not apply to amounts transferred to IRAs or eligible employer plans or which are otherwise nontaxable (see instructions).

17. In addition to the mandatory 20%, withhold this amount for Federal income tax: \$ _____,000

VI. CERTIFICATION AND NOTARIZATION — I certify that the information I have provided on all pages of this withdrawal request is true and complete to the best of my knowledge. If I did not complete Section VII or VIII on Page 2, I further certify that I am an unmarried TSP participant. Warning: Any intentional false statement in this application or willful misrepresentation concerning this request is a violation of law that is punishable by a fine or imprisonment for as long as 5 years, or both (18 U.S.C. 1001).

18. Participant's Signature 19. Date Signed (mm/dd/yyyy)

20. Notary: Please complete the following. No other acknowledgement is acceptable (see instructions). The person who signed Item 18 is known to or was identified by me and, before me, signed or acknowledged to have signed this form. In witness thereof, I have signed below on this _____ day of _____ Month _____ Year

My commission expires: _____ Date (mm/dd/yyyy) Notary's Signature _____
Notary's Printed Name _____ Notary's Phone Number _____
Jurisdiction _____

Do Not Write Below This Line

FORM TSP-77, Page 1 (2/2015)
PREVIOUS EDITIONS OBSOLETE

III. TRANSFER ELECTION

12. I would like to **transfer** all or a portion of my withdrawal request to an IRA or eligible employer plan. (Note: You must include the completed applicable transfer page(s) from this form with your withdrawal request package.)

Full Withdrawal

a. Single Payment

b. Life Annuity

c. TSP Monthly Payments

d. Mixed Withdrawals

a. Single Payment

- Also referred to as a **Lump Sum** payment
 - You can withdraw your entire TSP account balance in a single payment
 - You can transfer or roll over all or part of your TSP account (minimum = 1% of the account balance) to an IRA or another eligible retirement account
 - Any taxable amount withdrawn but not transferred or rolled over will be subject to ordinary income tax for the year of withdrawal

b. Life Annuity

- Assures income for life
- Funds are transferred from TSP to the annuity provider, and benefits are “locked in” when the request is processed
- Minimum = \$3,500

	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	✓		

c. TSP Monthly Payments

Fixed Dollar Amount

- Amount specified by participant
- Minimum payment \$25
- May change dollar amount annually
- **May be able to** transfer payments to an IRA or another eligible plan*
- **May be able to** adjust amount of tax withholding*
- May change direct deposit information
- May request a final single payment anytime

Based on Life Expectancy

- Payments are computed by TSP
- IRS life expectancy tables
- Amount automatically adjusts annually
- May adjust amount of tax withholding
- May make a one-time change to fixed dollar amount
- May request a final single payment anytime

* Ability to transfer or adjust withholding depend upon type of payment IAW IRS rule

d. Custom: Mixed Withdrawal

Example

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.



Required Minimum Distributions

70.5

Separated

April 1st

RMD

Each
Year

IRS
Table

After you have separated from Federal service or the uniformed services, you are required to make a withdrawal choice by April 1 of the year following the year you turn age 70½

You must receive your “Required Minimum Distribution” (RMD) for the calendar year in which you turn 70½, but you have until April 1 of the following year to make the withdrawal

RMDs are determined using the IRS Uniform Lifetime Table

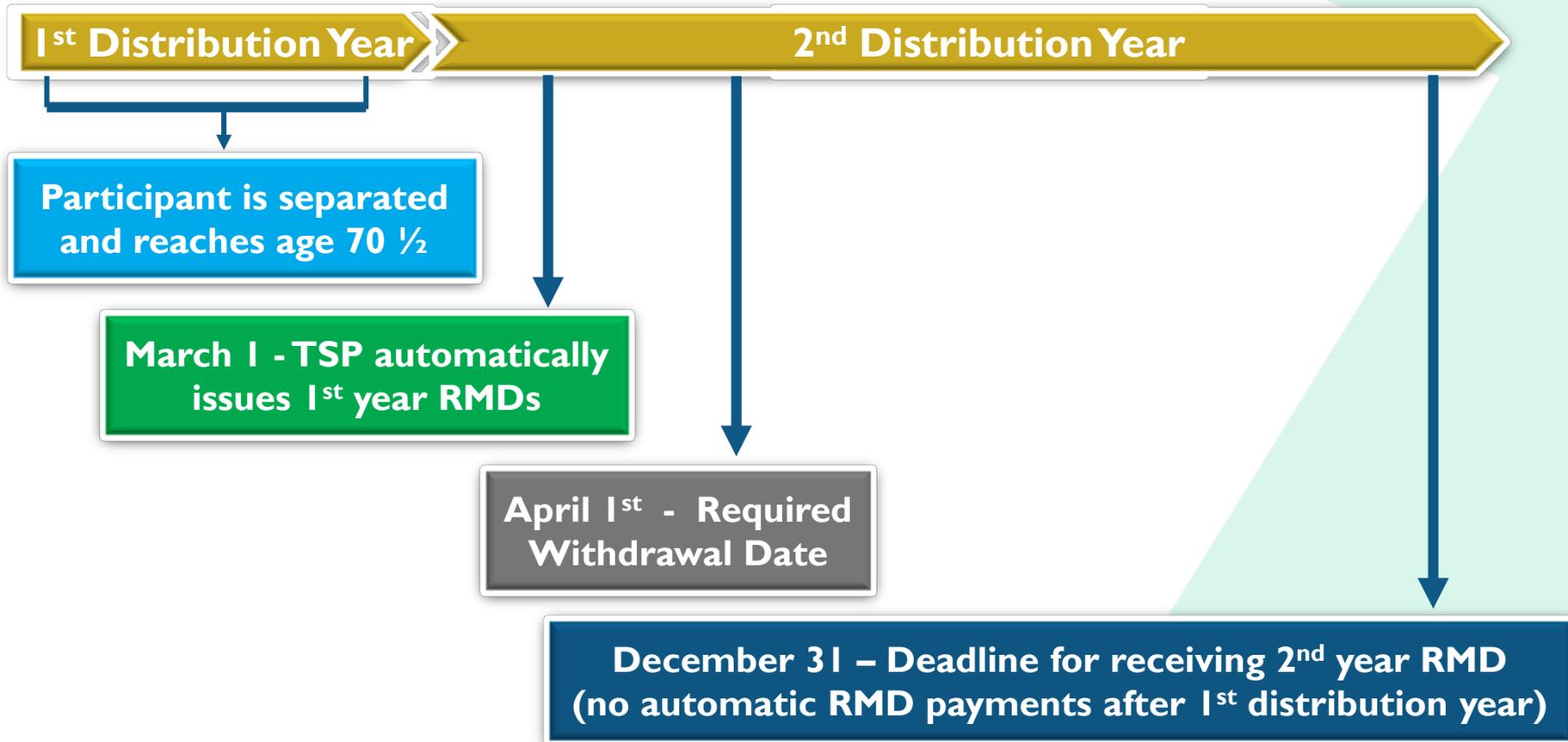
You must continue to receive RMDs from your TSP account each year thereafter so long as you have a remaining balance

If you are still a Federal employee employed at age 70½, your required withdrawal must begin by April 1 of the year following the year you separate



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

Required Minimum Distributions



Uniform Lifetime Table

RMD = Account Balance ÷ Distribution Period = % of account balance

Uniform Lifetime Table for Calculating Minimum Distributions*

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
70	27.4 - 3.65%	90	11.4	110	3.1
71	26.5 - 3.77%	91	10.8	111	2.9
72	25.6 - 3.91%	92	10.2	112	2.6
73	24.7 - 4.05%	93	9.6	113	2.4
74	23.8 - 4.20%	94	9.1	114	2.1
75	22.9 - 4.37%	95	8.6	115+	1.9
76	22.0 - 4.55%	96	8.1		
77	21.2 - 4.72%	97	7.6		
78	20.3 - 4.93%	98	7.1		
79	19.5 - 5.13%	99	6.7		
80	18.7 - 5.35%	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		

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](#)

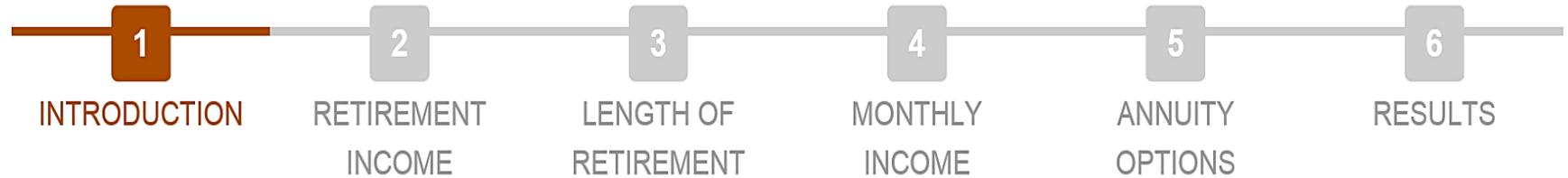
Living in Retirement

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

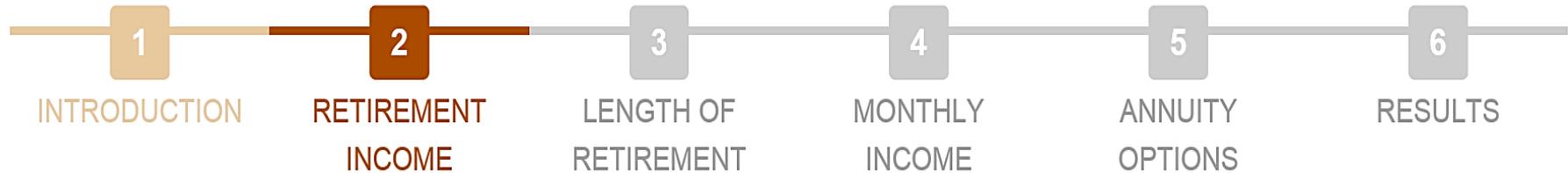
If you want monthly income from your TSP account when you separate from Federal service, you have two options:

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

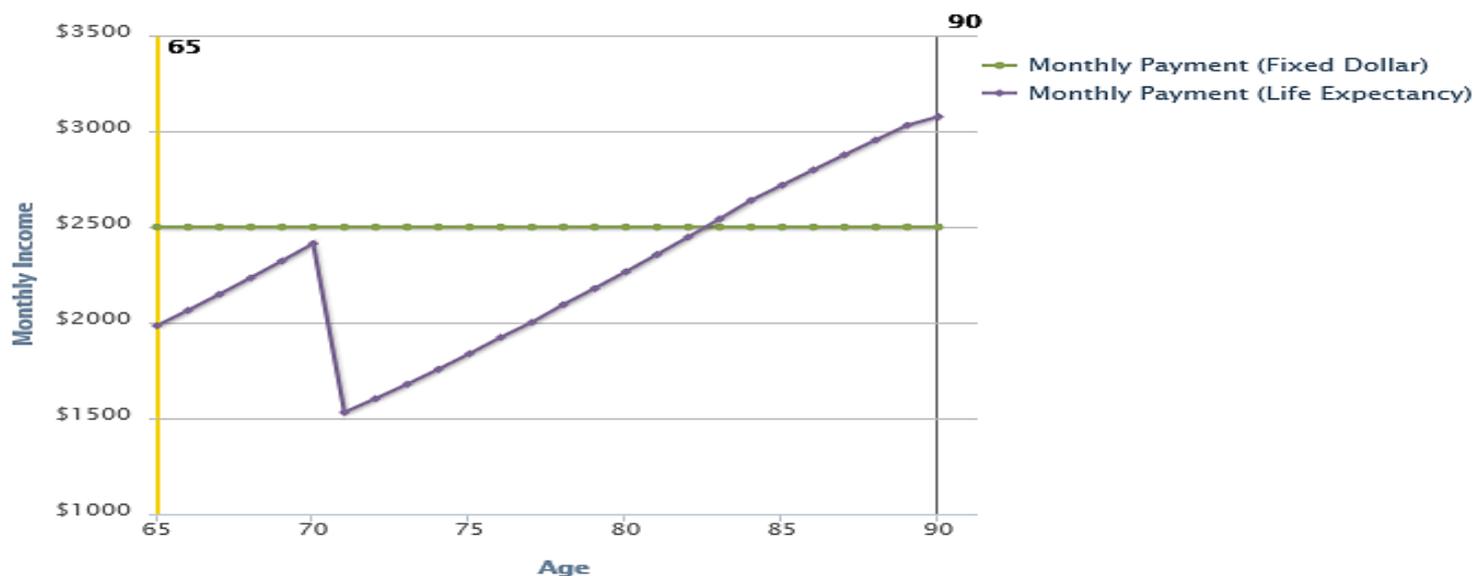
Printer-Friendly Report

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

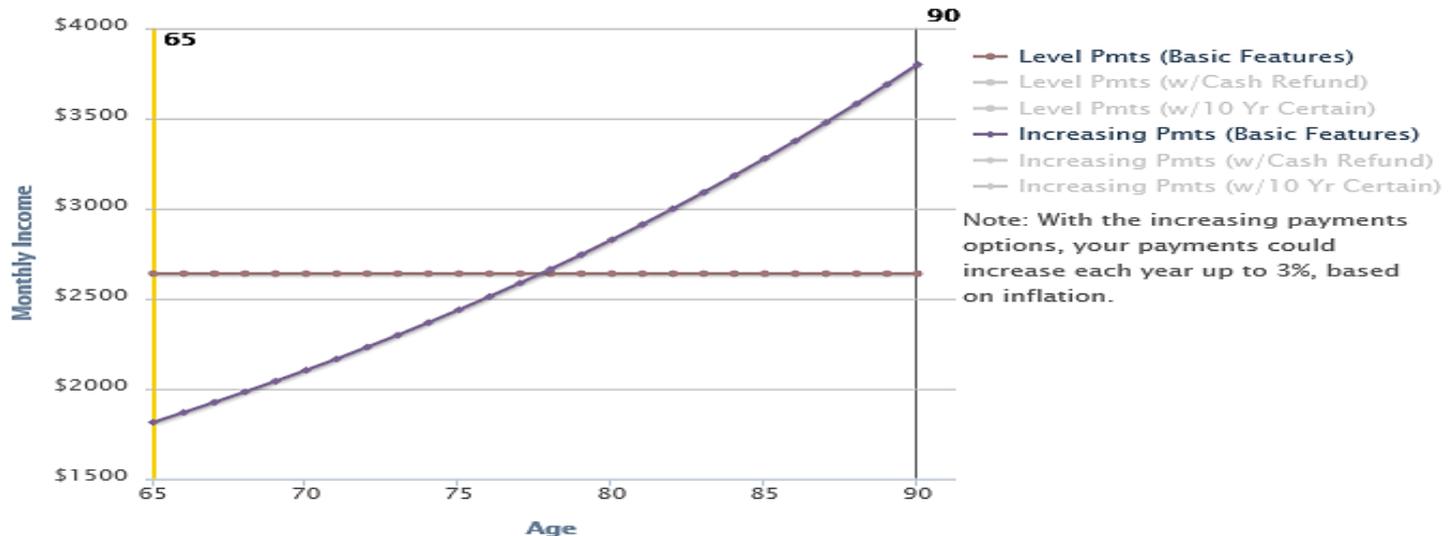
Single Life Annuity [Change Options](#) [Printer-Friendly Report](#)

- Graph Table Combined

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

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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

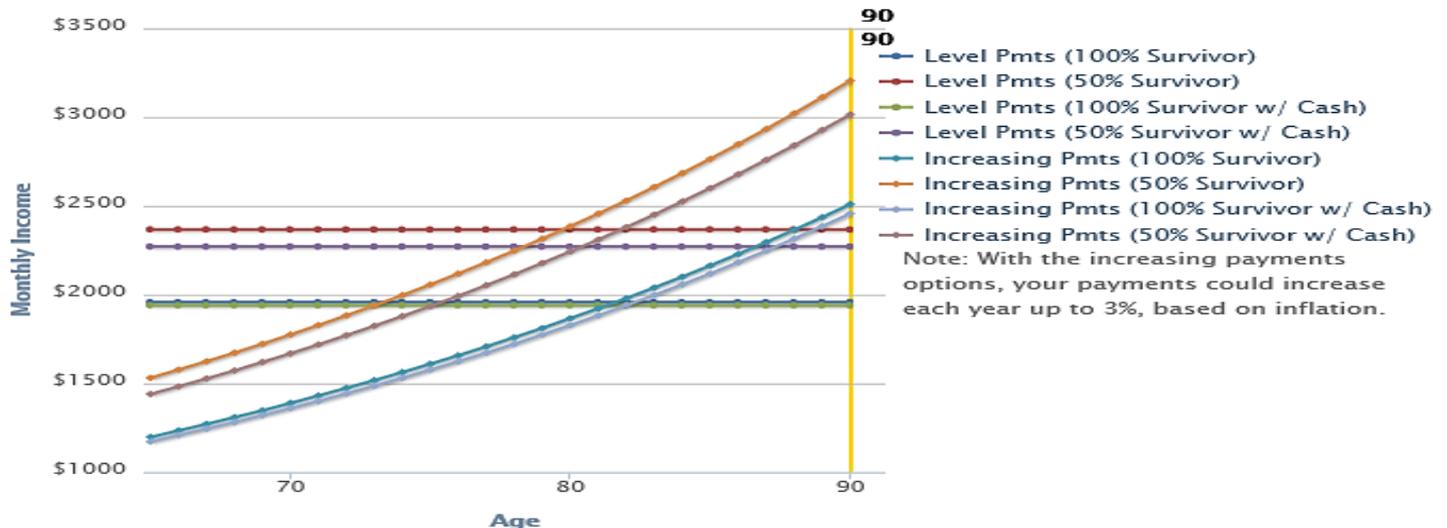
Printer-Friendly Report

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