

# Thrift Savings Plan A to Z (Part I)

PRESENTED BY

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**Thrift Savings Plan**

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD  
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# Some Benefits of the TSP...

**Automatic enrollment & payroll deduction**

**Choice of broadly diversified investment funds that provide comprehensive coverage of each asset class**

**Extremely low expenses**

**Choice of: pre-tax and/or after-tax elective deferrals**

**Agency contributions for FERS & BRS!  
1% automatic & 4% maximum match**

**Income from securities lending improves the investment fund returns**

**Ability to keep TSP for Life – Simplify and save \$ by transferring in other eligible accounts**

**G Fund – No risk of negative returns and backed by the full faith and credit of the U.S. Government**



# Agenda

- Make Wise Decisions Today: Retire With Dignity Tomorrow
- Saving for Retirement: Your TSP Contributions
- Choosing a Tax Treatment: Traditional or Roth?
- Getting the Most Bang for Your Buck: Saving in the Thrift Savings Plan
- Accessing your TSP Money While Still Employed: Loans and In-Service Withdrawals

# Retire With Dignity Tomorrow

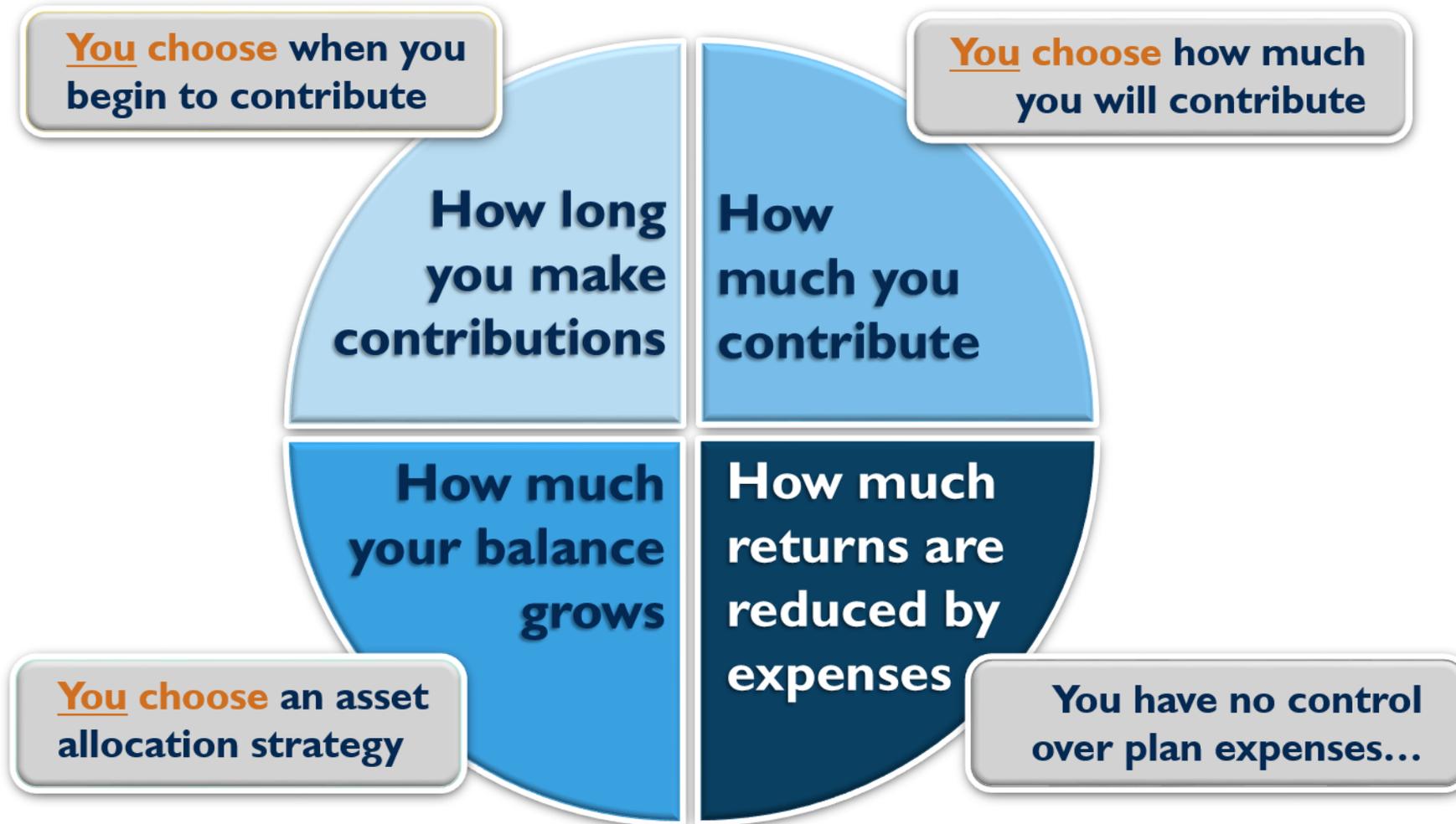
Make Wise Decisions Today



# Sources of Income in Retirement



# TSP Account Balance at Retirement Depends on:



# Actions That **Positively** Affect TSP Balance

## **FERS: contribute enough to get full agency match**

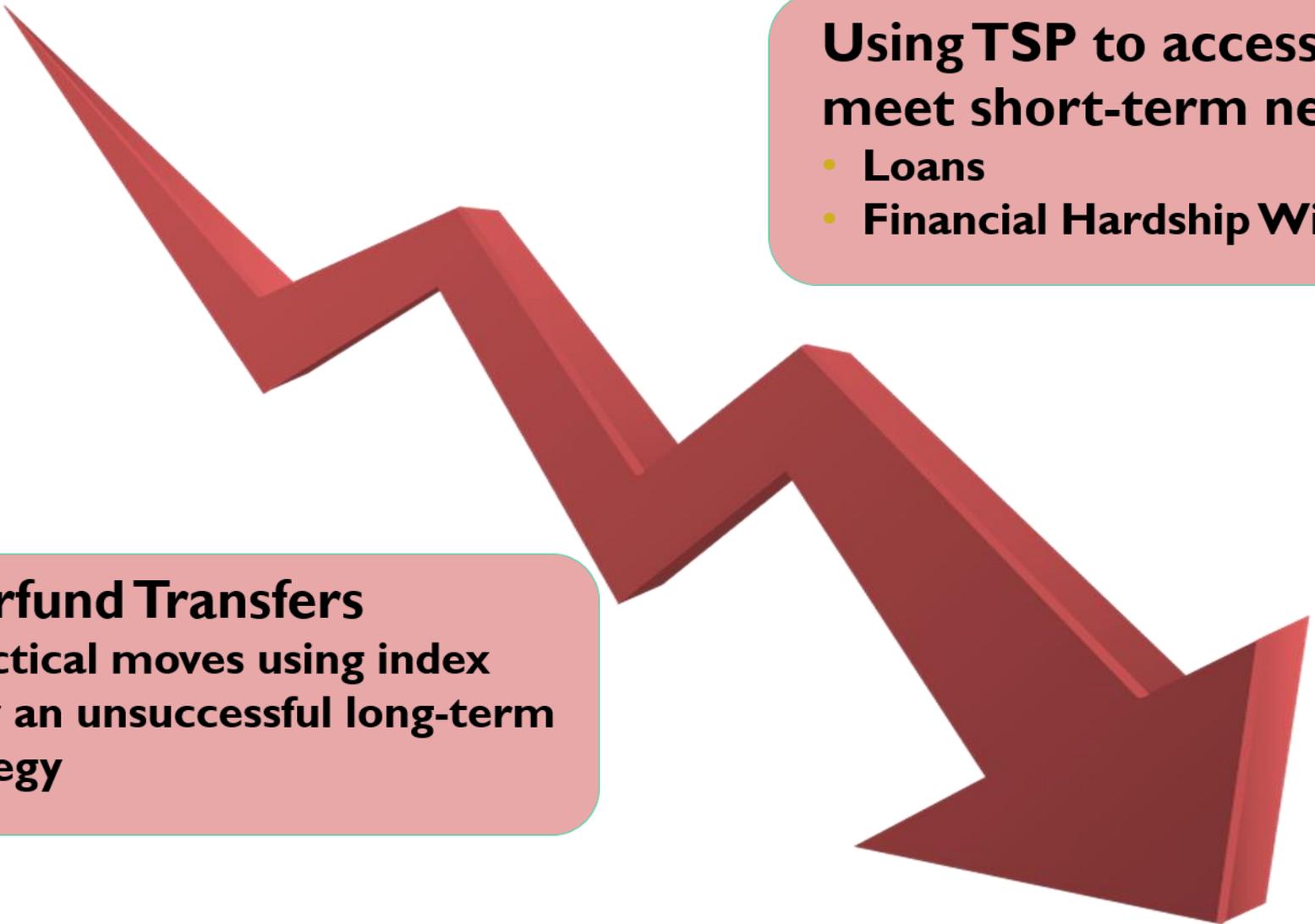
- **Contribute five percent to get maximum agency match of four percent**
- **Applies on a per pay date basis - NOT an annual basis**

## **Allocate contributions to investment funds based on appropriate balance of risk to return**

- **Periodically rebalance and reallocate based on a long-term strategy**
- **Or choose a Lifecycle fund – rebalancing and reallocations occur automatically**



# Actions That **May Negatively** Affect TSP Balance



**Using TSP to access savings to meet short-term needs**

- Loans
- Financial Hardship Withdrawals

**Frequent Interfund Transfers**

- Short-term, tactical moves using index funds is generally an unsuccessful long-term investment strategy

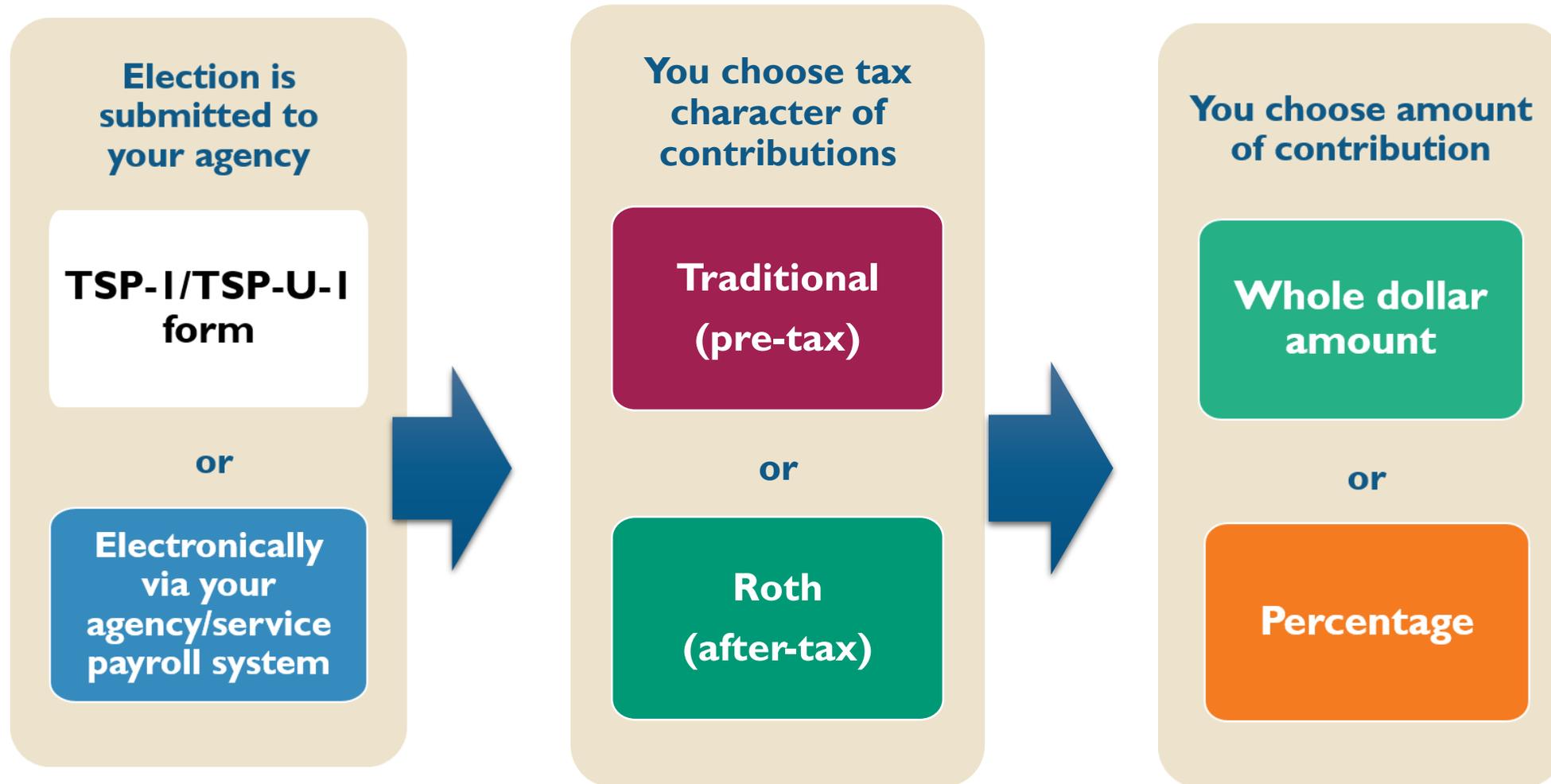


# Your TSP Contributions

Saving for Retirement

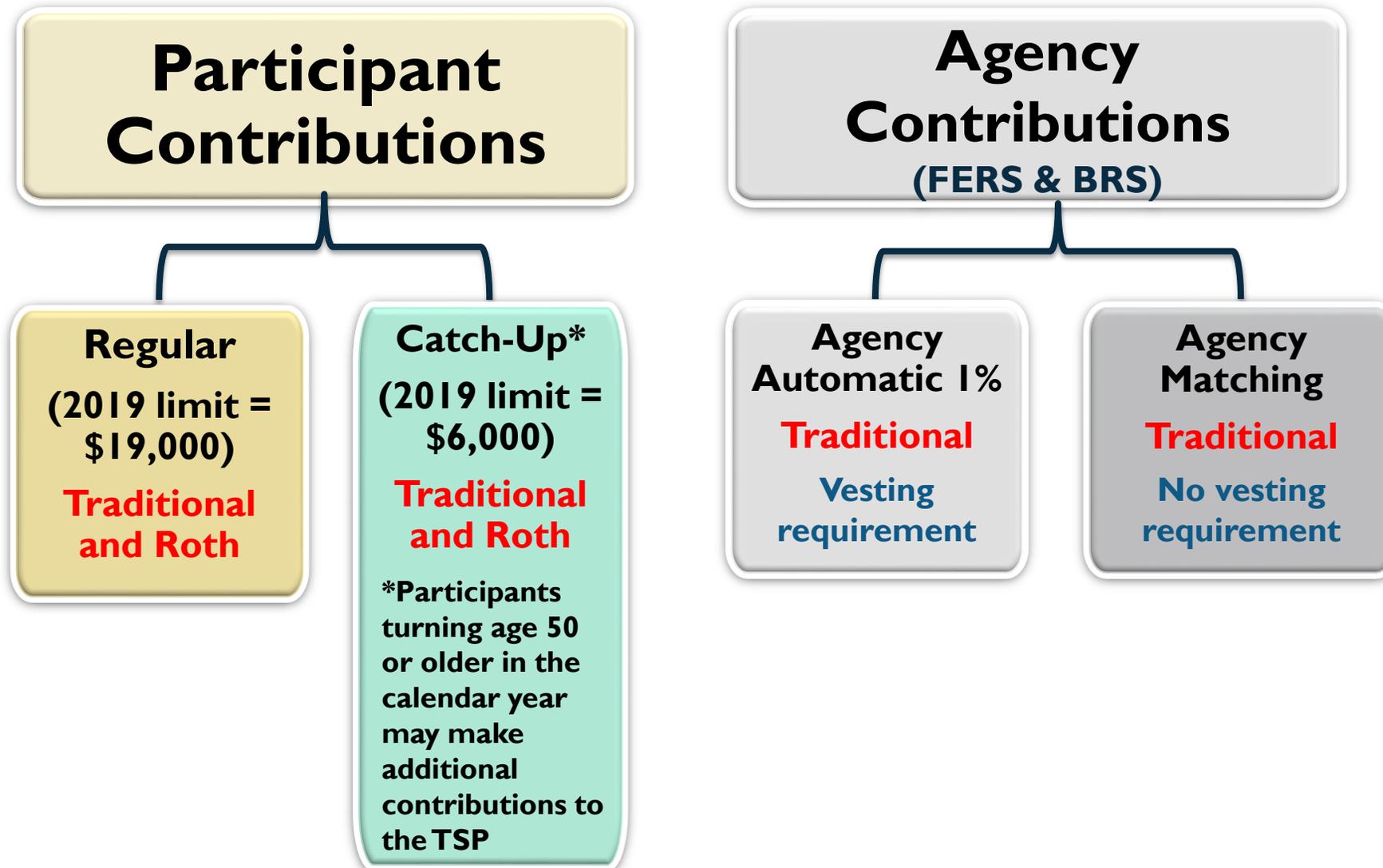


# Contribution Elections



- Elections are generally effective the first full pay period after receipt by the agency
- You can start, stop, change, or resume contributions at any time

# Contribution Sources and Limits



# Contribution Rules

## Employee/Service Member Contributions

- All new and rehired employees auto-enrolled at 3% (can opt out)
- Any whole dollar amount or percentage up to IRS elective deferral limit
- No vesting rule

## Agency Contributions (FERS/BRS)

- Agency Automatic (1%) Contributions
  - Subject to vesting
- Agency Matching Contributions\*
  - Based on first 5% of employee contributions per pay period, whether traditional or Roth
  - No vesting rule
  - Uniformed Services members under BRS may not receive matching contributions until 2 years and 1 day past their PEBD

Agency/Service Contributions to Your Account  
(FERS and BRS Participants Only)

You put in:	Your agency/service puts in:		And the total contribution is:
	Automatic (1%) Contribution	Matching Contribution	
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%
More than 5%	1%	4%	Your contribution + 5%

# Uniformed Services Contribution Rules

- Contribute 1% to 100% of basic pay
- Plus any percentage from incentive, special, and bonus pay
- Contributions are subject to the Internal Revenue Code annual limitations
  - elective deferral, §402(g), limit (\$19,000 for 2019)
  - annual additions, §415(c), limit (\$56,000 for 2019)
- Contributions deducted from Combat Zone Tax Exclusion (CZTE) pay are subject to section 415(c) limits but not 402(g)

# Annual Additions Limit

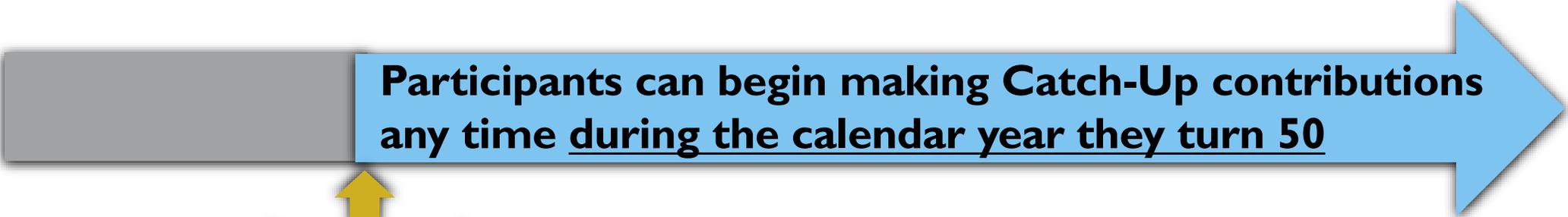
- \$56,000 for 2019 includes:
  - All elective deferrals (Traditional, Roth and tax-exempt TSP contributions)
  - Agency/service matching contributions
  - Agency automatic (1%) contributions
  - Does not include catch-up contributions
- Maximum contribution for officers in a combat zone cannot exceed \$8,578.50 per month (basic pay of the most senior enlisted member) plus \$225 Hostile Fire/Imminent Danger Pay

# Maximizing Your Match (FERS/BRS)

- Ed earns \$3,000 gross pay per pay period and contributes 30%
- Susan earns \$3,000 gross pay per pay period and contributes \$731

ED	30% EC	4% Match	SUSAN	\$731 EC	4% Match
PC #1 to PC #21	\$900 each	\$120 each	PC #1 to PC# 21	\$731 each	\$120 each
<b>PC #1 to 21</b>	<b>\$18,900</b>	<b>\$2,520</b>	<b>PC #1 to 21</b>	<b>\$15,351</b>	<b>\$2,520</b>
PC #22	\$100	\$90 (3%)	PC #22	\$731	\$120
PC #23	\$0	\$0	PC #23	\$731	\$120
PC #24	\$0	\$0	PC #24	\$731	\$120
PC #25	\$0	\$0	PC #25	\$731	\$120
PC #26	\$0	\$0	PC #26	\$725	\$120
<b>PC #22 to 26</b>	<b>\$100</b>	<b>\$90</b>	<b>PC #22 to 26</b>	<b>\$3,649</b>	<b>\$600</b>
<b>Total of 22 Contributions</b>	<b>\$19,000</b>	<b>\$2,610</b>	<b>Total of 26 Contributions</b>	<b>\$19,000</b>	<b>\$3,120</b>

# Catch-Up Contributions



Participants can begin making **Catch-Up** contributions any time during the calendar year they turn 50



**January 1**

- 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-I-C/TSP-U-I-C
- Maximum contribution for 2019 is \$6,000
- Must self-certify intent to make regular contributions up to elective deferral limit
- No agency matching on catch-up contributions

# Choosing a Tax Treatment

**Traditional**



**Roth**

# Traditional TSP Contributions

**Traditional** contributions are deducted from gross pay **BEFORE** taxes



<b>Your Federal Agency</b>		For Pay Period Ending	Net Pay
		Pay Period #	Pay Date
Name	Pay Plan/Grade/Step	Annual Salary	Hourly Rate
Home Address		Pay Check Address	
<b>Basic Information</b>			
TSP Tax Deferred Amt/% \$731		TSP Roth Amt/% 0 %	
<b>Your Pay Consists of</b>		Tax Information	Marital Exemptions
Gross Pay	Current	YTD	Additional
Deduction		State	Current YTD Wages
Net Pay		Federal	Wages
<b>EARNINGS</b>			
Type	Rate	Adjusted	ADJ Hours
Regular			Hours
	Current	YTD	
<b>DEDUCTIONS</b>			
Type	Misc	Adjusted	Current
Federal Taxes			YTD
Dental/Vision			Type
TSP Tax Deferred			Misc
TSP Roth Catch-Up			Adjusted
OASDI Tax			Current
FEGLI - Regular			YTD
FEGLI - Family			Type
Discretionary Allotment			Misc
			Adjusted
			Current
			YTD
<b>BENEFITS PAID BY GOVT.</b>			
Type	Current	YTD	Type
FEGLI			Medicare
OASDI			TSP Basic
TSP Match			FERS

Lowers current taxable income and gives a tax break today



**BOTH** contributions and earnings grow tax-deferred

**Agency Matching contributions will always be traditional**

**Agency Automatic contributions will always be traditional**



Source: TSP.gov: [Plan Participation, Eligibility and Contributions, Tax Treatment of Your Contributions](#)

# Roth TSP Contributions

Roth contributions are deducted from gross pay **AFTER** taxes



TSP Roth Amt% \$731

Does not affect current taxable income



Contributions will not be taxed again

Earnings grow tax-deferred until they become “qualified” - “Qualified” earnings grow tax-free

Agency Matching contributions will always be traditional

Agency Automatic contributions will always be traditional

<b>Your Federal Agency</b>		For Pay Period Ending	Net Pay
		Pay Period #	Pay Date
Name	Pay Plan/Grade/Step	Annual Salary	Hourly Rate
Home Address		Pay Check Address	
<b>Basic Information</b>			
TSP Tax Deferred Amt/%	0%	TSP Roth Amt/%	\$731
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Gross Pay	Current	State	Additional
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Net Pay			Wages
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Type	Rate	Adjusted	ADJ Hours
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	Current		YTD
<b>DEDUCTIONS</b>			
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OASDI Tax			Current
FEGLI - Regular			YTD
FEGLI - Family			Type
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			Adjusted
			Current
			YTD
<b>BENEFITS PAID BY GOVT.</b>			
Type	Current	YTD	Type
FEGLI			Medicare
OASDI			TSP Basic
TSP Matchin			FERS



Source: TSP.gov: [Plan Participation, Eligibility and Contributions, Tax Treatment of Your Contributions](#)

# Roth TSP – Qualification Rules

- For Roth earnings to become qualified (tax-free):
  - First TSP Roth contribution must meet 5-year rule:
    - Prior participation in a Roth 401(k) transferred into TSP counts toward 5-year rule
    - Once 5-year rule is met, participant retains it for the life of their TSP account
  - Age 59½; disabled; or deceased
  - BOTH must be met
- If Roth balance is withdrawn prior to meeting qualification rules:
  - Earnings are tax deferred and subject to IRS 10% early withdrawal tax unless participant meets an exception:
    - If a participant receives distributions after they've separated in the calendar year they reach age 55 or older (or in the calendar year they reach age 50 or older for certain public safety employees)

# Traditional or Roth?



Source: [Summary of the Thrift Savings Plan, Traditional Contributions vs. Roth Contributions: An Example of the Effect on Your Long-Term Savings, p. 8](#)

# Roth TSP vs. Roth IRA Limits

	Roth Employer Plans (e.g., Roth TSP)	Roth IRA
<b>2019 Income Limits</b>	Available to all participants regardless of income	Not available to taxpayers with income above certain limits: MFJ - \$193,000 to \$203,000 MFS - \$0 to \$10,000 All others - \$122,000 to \$137,000
<b>2019 Contribution Limits</b>	\$19,000 (plus an additional \$6,000 if turning age 50 or older)	\$6,000 (\$7,000 if turning age 50 or older)

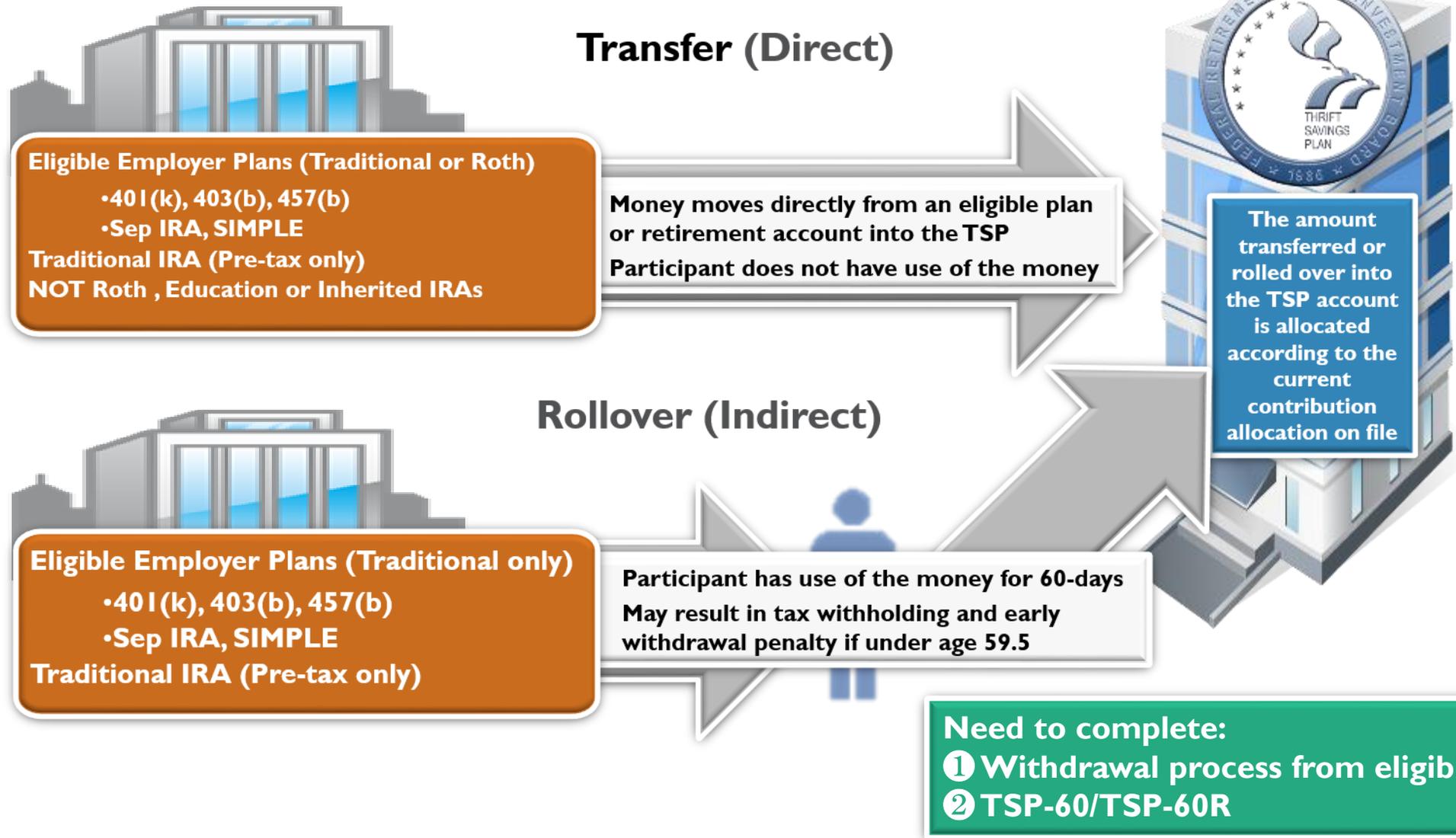
# Retirement Savings Contribution Credit

- Designed to encourage low- and modest-income individuals to save for retirement
- Depending upon adjusted gross income (AGI) and filing status, participant may be able to take a tax credit for their TSP contributions
- For more information, see IRS Form 8880

## 2019 AGI Limits\*

Married Filing Joint	Single	Maximum Credit Per Person
Less than \$38,500	Less than \$19,250	50% of your contribution (\$1000)
\$38,501 - \$41,500	\$19,251 - \$20,750	20% of your contribution (\$400)
\$41,501 - \$64,000	\$20,751 - \$32,000	10% of your contribution (\$200)
AGI greater than \$64,000	AGI greater than \$32,000	0% of your contribution (no credit)

# Moving Money From Other Plans Into TSP



# Combining TSP Accounts

**THRIFT SAVINGS PLAN**  
REQUEST TO COMBINE CIVILIAN AND UNIFORMED SERVICES TSP ACCOUNTS  
TSP-65

**I. INFORMATION ABOUT YOU**

1. Last Name First Name Middle Name  
2. TSP Account Number 3. SSN (or RA/CSRS/US/USP) 4. (Ignore These If Not Applicable)  
5. Foreign address? 6. Street Address or PO Number (For a foreign address, see instructions.)  
7. City 8. State 9. Zip Code

**II. REQUEST TO COMBINE ACCOUNTS** — Indicate how you want to combine your TSP accounts. (Restrictions apply; see instructions.)

10.  Transfer my **uniformed services** TSP account into my **civilian** TSP account. (Complete Section III if married CSRS.)  
OR  
 Transfer my **civilian** TSP account into my **uniformed services** TSP account. (Go to Section IV.)

**III. SPOUSE'S CONSENT TO TRANSFER UNIFORMED SERVICES ACCOUNT INTO CSRS ACCOUNT** — Spouse must complete items 11-13.

11. Spouse's Name (Last, First, Middle)  
12. Spouse's Signature  
13. Date Signed (MM/DD/YYYY)

**Notary:** Please complete the following. No other acknowledgment is acceptable (see instructions).  
The person who signed item 12 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 \_\_\_\_\_, \_\_\_\_.

My commission expires: \_\_\_\_\_  
Notary's Signature  
[not] Notary's Printed Name Notary's Phone Number  
Jurisdiction

14. **Participant:** If you cannot obtain your spouse's signature, provide your spouse's name in item 11 and Social Security number here and submit Form TSP-16, Exception to Spousal Requirements, along with this request. Spouse's Social Security Number

**IV. CERTIFICATION** — By signing below, you are authorizing the TSP to combine your civilian and uniformed services TSP accounts. You are certifying that you understand that tax-exempt amounts from the traditional balance of your uniformed services account, if any, cannot be transferred to a civilian TSP account. You are also certifying that, if you are transferring a uniformed services account into a CSRS account and you did not complete Section III, you are an unmarried participant. **Warning:** Any intentional false statement in this application or willful misrepresentation concerning it 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.

15. Participant's Signature  
16. Date Signed (MM/DD/YYYY)

Do Not Write Below This Line  
FORM TSP-65 (4/2012)  
PREVIOUS EDITIONS OBSOLETE

- If you have both a uniformed services and a civilian TSP account AND are separated from the service associated with one of them, you can transfer your balance out of that account and into the other account
- You may transfer in either direction if separated from both

**II. REQUEST TO COMBINE ACCOUNTS** — Indicate how you want to combine your TSP accounts. (Restrictions apply; see instructions.)

10.  Transfer my **uniformed services** TSP account into my **civilian** TSP account. (Complete Section III if married CSRS.)  
OR  
 Transfer my **civilian** TSP account into my **uniformed services** TSP account. (Go to Section IV.)

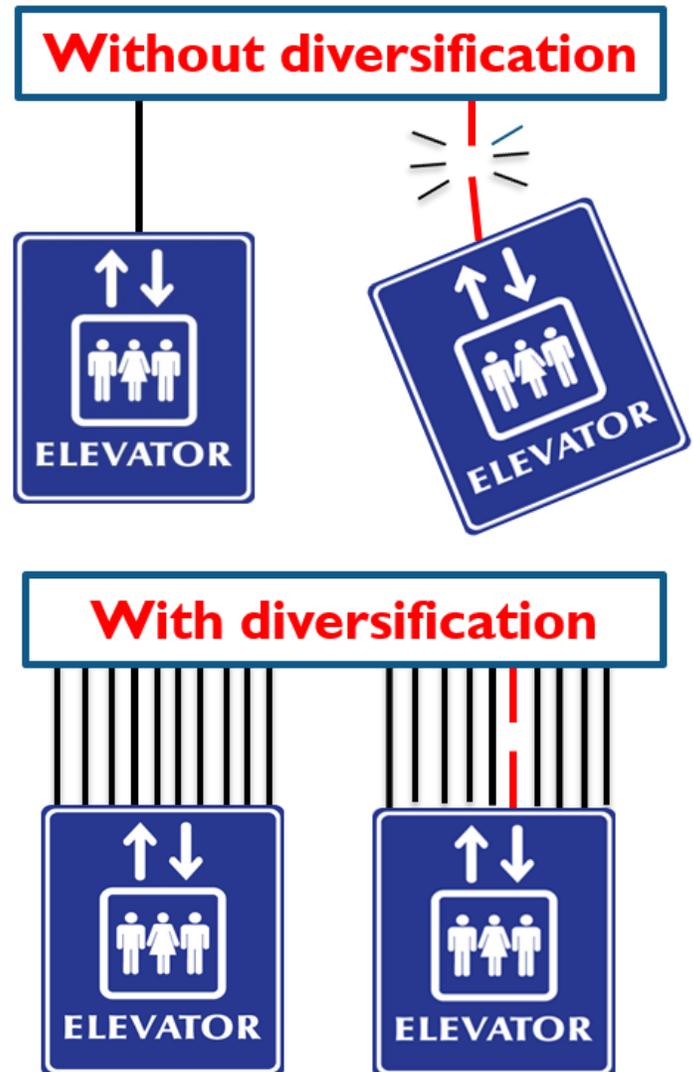
**Note:** A tax-exempt balance in a uniformed services account cannot be transferred to a civilian TSP account

# Saving in the Thrift Savings Plan

Getting the Most Bang for Your Buck



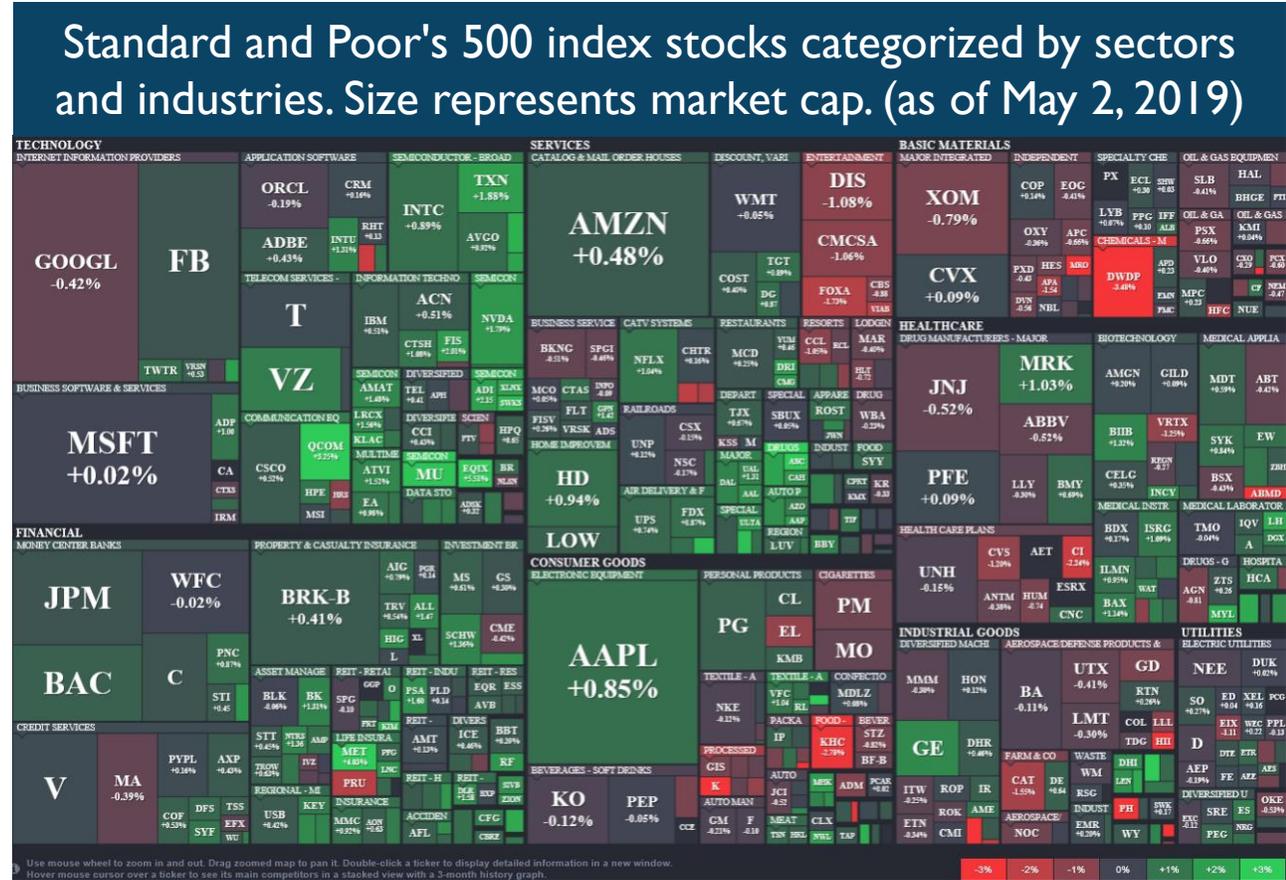
# Diversification



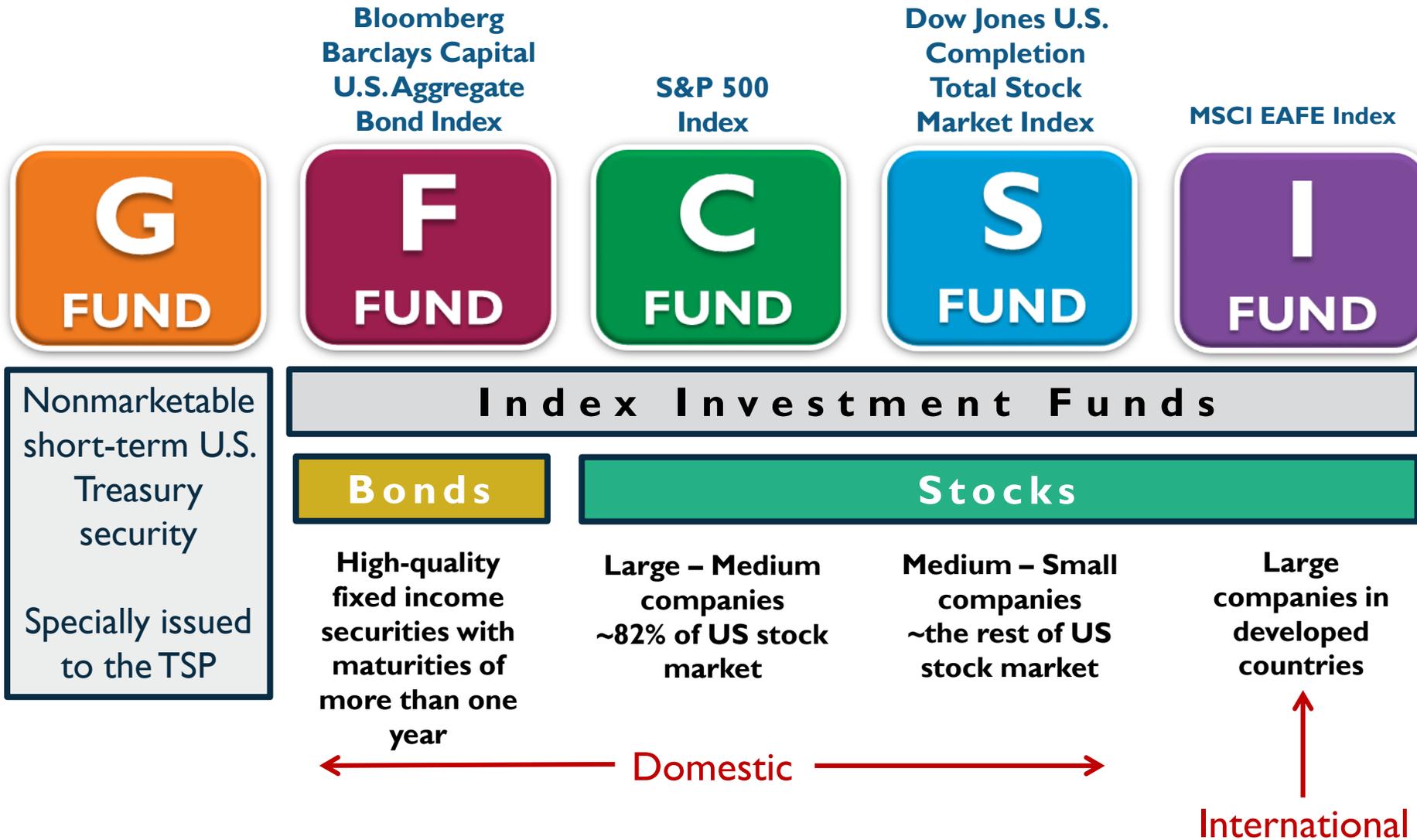
- Diversification is:
  - Balancing an investment portfolio by dividing it among different securities, industries or classes
- **It reduces risk** because:
  - It combines a variety of investments which are unlikely to all move in the same direction
- The TSP **achieves diversification** by tracking specified baskets of investments called “index investment funds”

# Index Investment Funds

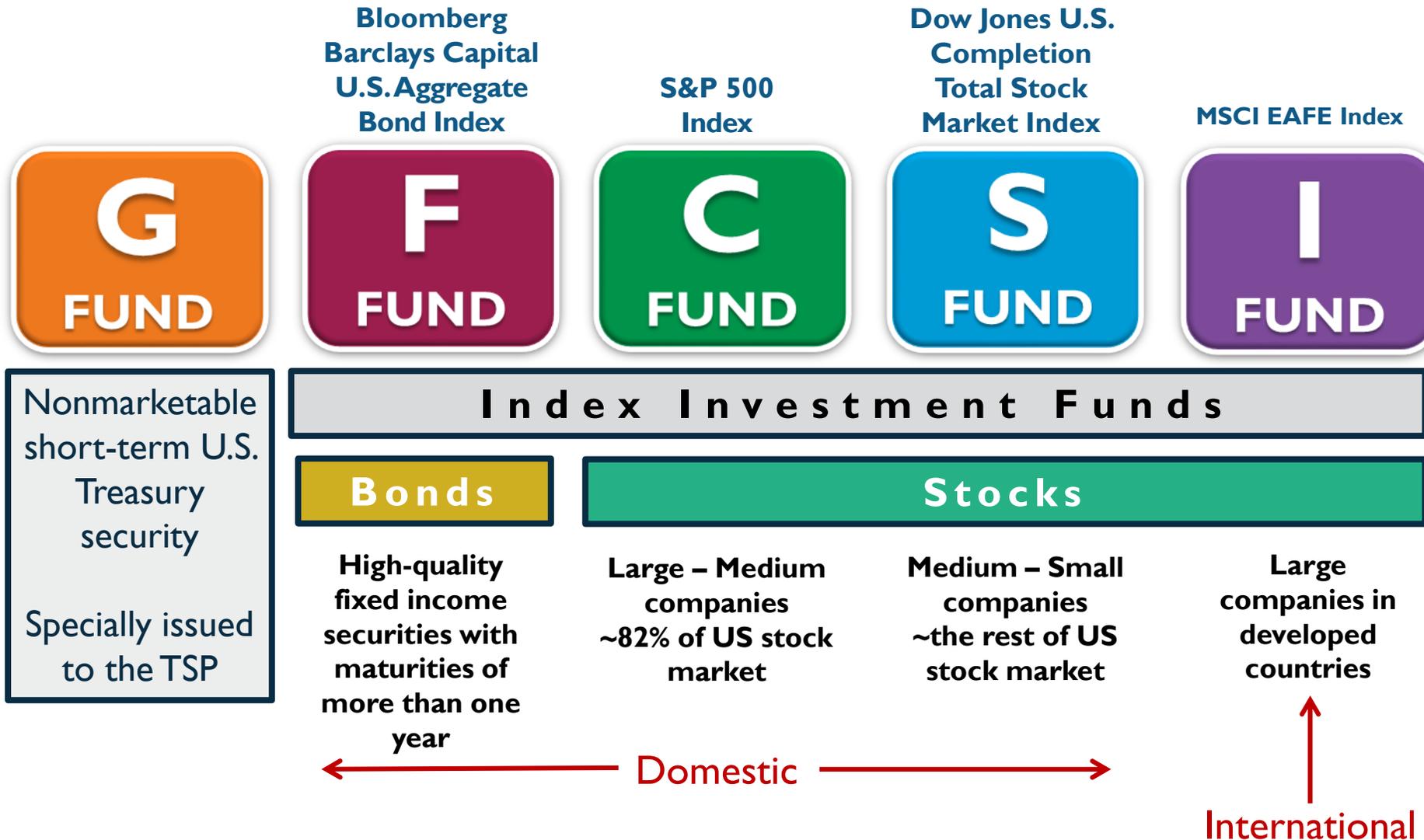
- Facilitate a passive strategy – No need to:
  - Pick individual investments
  - Try to time market movements
- Eliminate the anxiety of trying to beat the market
- Reduce trading costs and investment expenses



# TSP Core Investment Funds



# TSP Core Investment Funds



# TSP Core Fund Performance

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>F</b> 5.45%	<b>S</b> 34.85%	<b>S</b> 29.06%	<b>F</b> 7.89%	<b>I</b> 18.62%	<b>S</b> 38.35%	<b>C</b> 13.78%	<b>G</b> 2.04%	<b>S</b> 16.35%	<b>I</b> 25.42%	<b>G</b> 2.91%
<b>G</b> 3.75%	<b>I</b> 30.04%	<b>C</b> 15.06%	<b>G</b> 2.45%	<b>S</b> 18.57%	<b>C</b> 32.45%	<b>S</b> 7.80%	<b>C</b> 1.46%	<b>C</b> 12.01%	<b>C</b> 21.82%	<b>F</b> 0.15%
<b>L2040</b> -31.53%	<b>C</b> 26.68%	<b>L2040</b> 13.89%	<b>C</b> 2.11%	<b>C</b> 16.07%	<b>L2040</b> 23.23%	<b>F</b> 6.73%	<b>F</b> 0.91%	<b>L2040</b> 7.90%	<b>S</b> 18.22%	<b>C</b> -4.41%
<b>C</b> -36.99%	<b>L2040</b> 25.19%	<b>I</b> 7.94%	<b>L2040</b> -0.96%	<b>L2040</b> 14.27%	<b>I</b> 22.13%	<b>L2040</b> 6.22%	<b>L2040</b> 0.73%	<b>F</b> 2.91%	<b>L2040</b> 16.77%	<b>L2040</b> -4.89%
<b>S</b> -38.32%	<b>F</b> 5.99%	<b>F</b> 6.71%	<b>S</b> -3.38%	<b>F</b> 4.29%	<b>G</b> 1.89%	<b>G</b> 2.31%	<b>I</b> -0.51%	<b>I</b> 2.10%	<b>F</b> 3.82%	<b>S</b> -9.26%
<b>I</b> -42.43%	<b>G</b> 2.97%	<b>G</b> 2.81%	<b>I</b> -11.81%	<b>G</b> 1.47%	<b>F</b> -1.68%	<b>I</b> -5.27%	<b>S</b> -2.92%	<b>G</b> 1.82%	<b>G</b> 2.33%	<b>I</b> -13.43%

**G Fund**

**F Fund**

**C Fund**

**S Fund**

**I Fund**

**L 2040 Fund**

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance - G

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
							G 2.04%			G 2.91%
G 3.75%			G 2.45%							
					G 1.89%	G 2.31%				
	G 2.97%	G 2.81%		G 1.47%				G 1.82%	G 2.33%	

G Fund
F Fund
C Fund
S Fund
I Fund
L 2040 Fund

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance - F

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
F 5.45%			F 7.89%							
										F 0.15%
						F 6.73%	F 0.91%			
								F 2.91%		
	F 5.99%	F 6.71%		F 4.29%					F 3.82%	
					F -1.68%					

G Fund
F Fund
C Fund
S Fund
I Fund
L 2040 Fund

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance - C

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
						C 13.78%				
		C 15.06%			C 32.45%		C 1.46%	C 12.01%	C 21.82%	
	C 26.68%		C 2.11%	C 16.07%						C -4.41%
C -36.99%										

G Fund
F Fund
C Fund
S Fund
I Fund
L 2040 Fund

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance - S

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	S 34.85%	S 29.06%			S 38.35%			S 16.35%		
				S 18.57%		S 7.80%				
									S 18.22%	
S -38.32%			S -3.38%							S -9.26%
							S -2.92%			

G Fund
F Fund
C Fund
S Fund
I Fund
L 2040 Fund

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance - I

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
				I 18.62%					I 25.42%	
	I 30.04%									
		I 7.94%			I 22.13%					
							I -0.51%	I 2.10%		
I -42.43%			I -11.81%			I -5.27%				I -13.43%

**G Fund**

**F Fund**

**C Fund**

**S Fund**

**I Fund**

**L 2040 Fund**

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance - L

## 11 Year Summary

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
L2040 -31.53%		L2040 13.89%			L2040 23.23%			L2040 7.90%		
	L2040 25.19%		L2040 -0.96%	L2040 14.27%		L2040 6.22%	L2040 0.73%		L2040 16.77%	L2040 -4.89%

G Fund
F Fund
C Fund
S Fund
I Fund
L 2040 Fund

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# TSP Core Fund Performance

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<b>L2040</b> -31.53%	<b>C</b> 26.68%	<b>L2040</b> 13.89%	<b>C</b> 2.11%	<b>C</b> 16.07%	<b>L2040</b> 23.23%	<b>F</b> 6.73%	<b>F</b> 0.91%	<b>L2040</b> 7.90%	<b>S</b> 18.22%	<b>C</b> -4.41%
<b>C</b> -36.99%	<b>L2040</b> 25.19%	<b>I</b> 7.94%	<b>L2040</b> -0.96%	<b>L2040</b> 14.27%	<b>I</b> 22.13%	<b>L2040</b> 6.22%	<b>L2040</b> 0.73%	<b>F</b> 2.91%	<b>L2040</b> 16.77%	<b>L2040</b> -4.89%
<b>S</b> -38.32%	<b>F</b> 5.99%	<b>F</b> 6.71%	<b>S</b> -3.38%	<b>F</b> 4.29%	<b>G</b> 1.89%	<b>G</b> 2.31%	<b>I</b> -0.51%	<b>I</b> 2.10%	<b>F</b> 3.82%	<b>S</b> -9.26%
<b>I</b> -42.43%	<b>G</b> 2.97%	<b>G</b> 2.81%	<b>I</b> -11.81%	<b>G</b> 1.47%	<b>F</b> -1.68%	<b>I</b> -5.27%	<b>S</b> -2.92%	<b>G</b> 1.82%	<b>G</b> 2.33%	<b>I</b> -13.43%

**G Fund**

**F Fund**

**C Fund**

**S Fund**

**I Fund**

**L 2040 Fund**

The returns for the TSP funds represent net earnings after the deduction of administrative expenses, trading costs, and investment management fees

# Costs of Investing with the TSP

	G Fund	F Fund	C Fund	S Fund	I Fund	L Income	L 2020	L 2030	L 2040	L 2050
<b>2018 Administrative Expenses</b>										
<b>Gross</b>	0.051%	0.052%	0.052%	0.052%	0.052%	0.051%	0.052%	0.052%	0.052%	0.052%
<b>Net<sup>1</sup></b>	<b>0.040%</b>	<b>0.041%</b>	<b>0.041%</b>	<b>0.040%</b>	<b>0.041%</b>	<b>0.040%</b>	<b>0.040%</b>	<b>0.040%</b>	<b>0.040%</b>	<b>0.040%</b>
<b>Other Expenses<sup>2</sup></b>										
	0.000%	0.016%	0.001%	0.021%	0.010%	0.002%	0.003%	0.005%	0.007%	0.005%

1. Net administrative expenses are the expenses charged to TSP participants per dollar invested in the respective funds after offsetting gross administrative expenses with account forfeitures and loan fees.

2. Fees associated with securities lending are not included in 2018 administrative expenses.

Consistent with standard practice in the industry, they are charged in addition to administrative expenses.

The other expenses represent fees paid to the investment manager for administering securities lending programs.

Income earned from these programs improved the returns of the funds

# Comparison of TSP's Net Administrative Expenses

## TSP

**\$0.40 per \$1,000<sup>1</sup>**



## Average 401(k) Plan

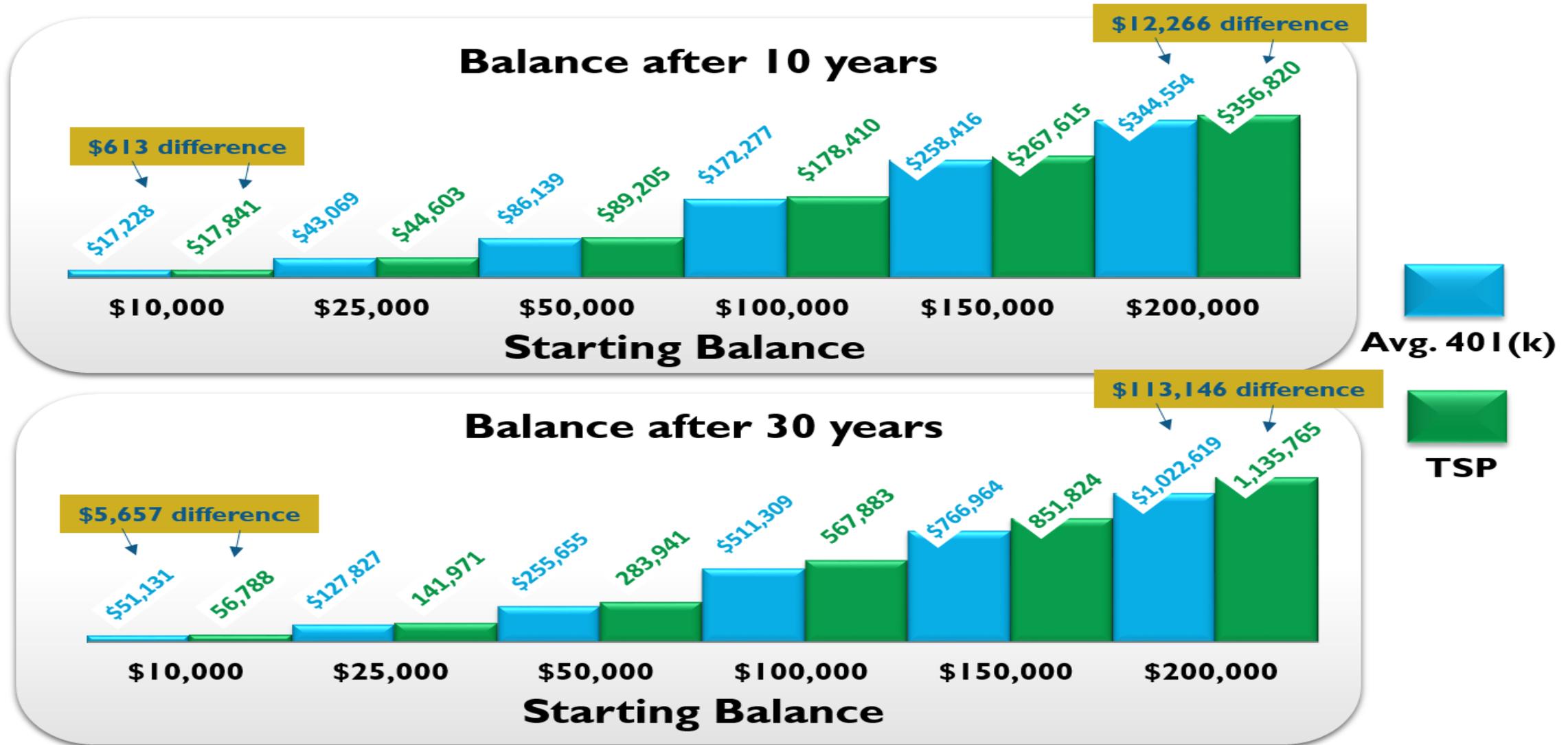
**\$4.10 per \$1,000<sup>2</sup>**



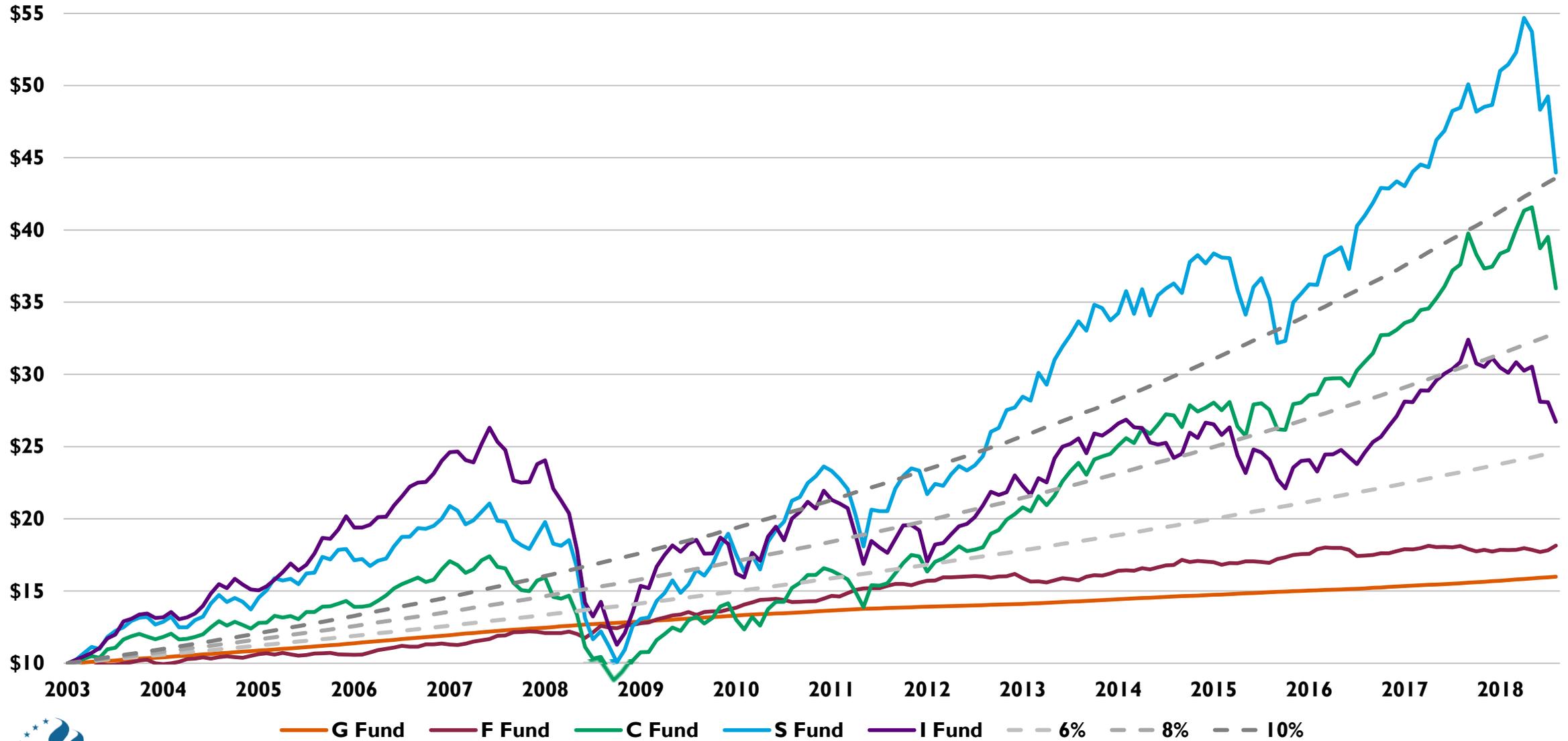
1. Net administrative expenses charged to the TSP participant across all funds, 2018

2. Median estimated 401(k) plan fees. Source: 12th Annual NEPC Defined Contribution Plan & Fee Survey Webinar, Sep 2017

# Effect of TSP's Expenses on Long-Term Returns

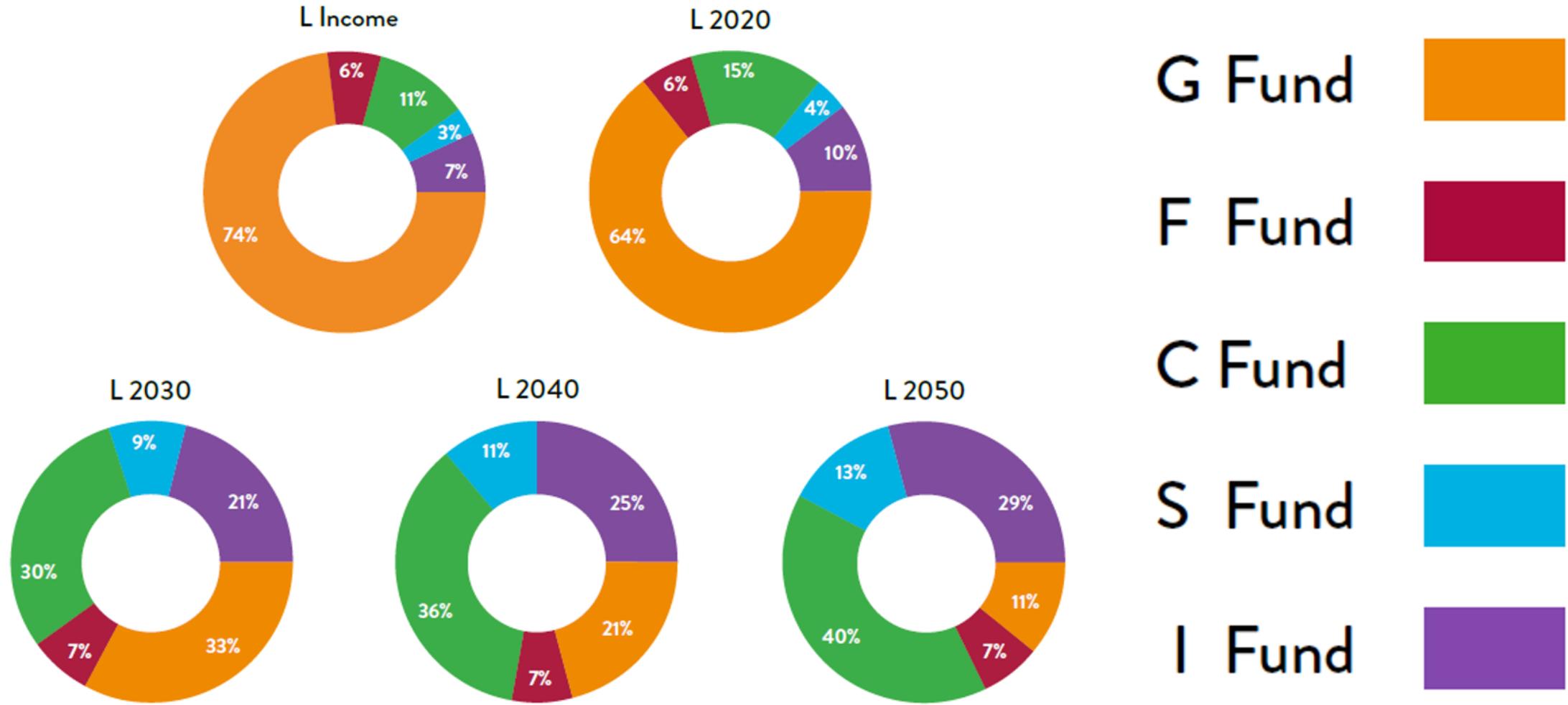


# Performance of the TSP Core Fund Share Prices



# The TSP's Lifecycle Funds

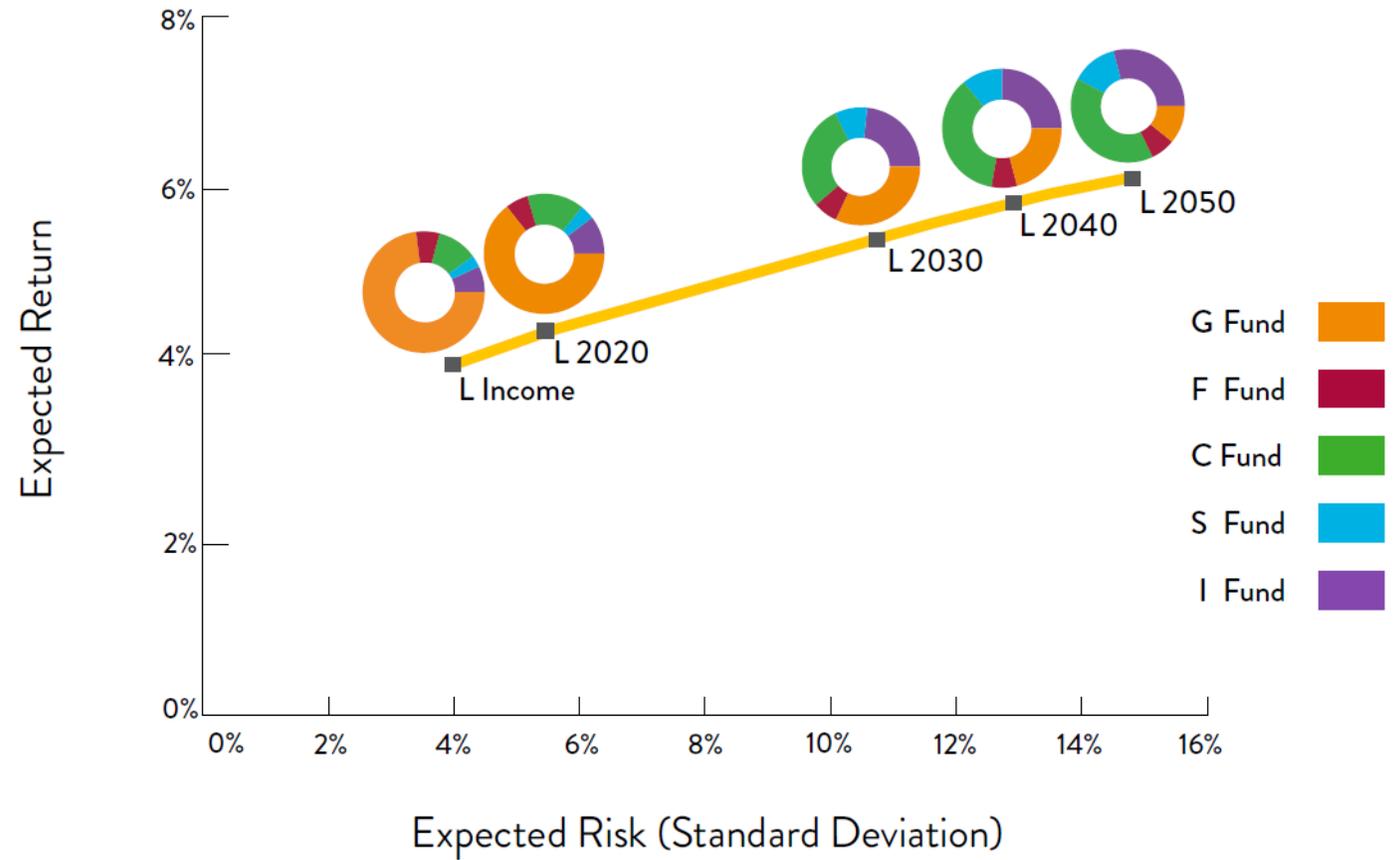
## Allocation Targets as of January 2019



# The Lifecycle Funds and the “Efficient Frontier”

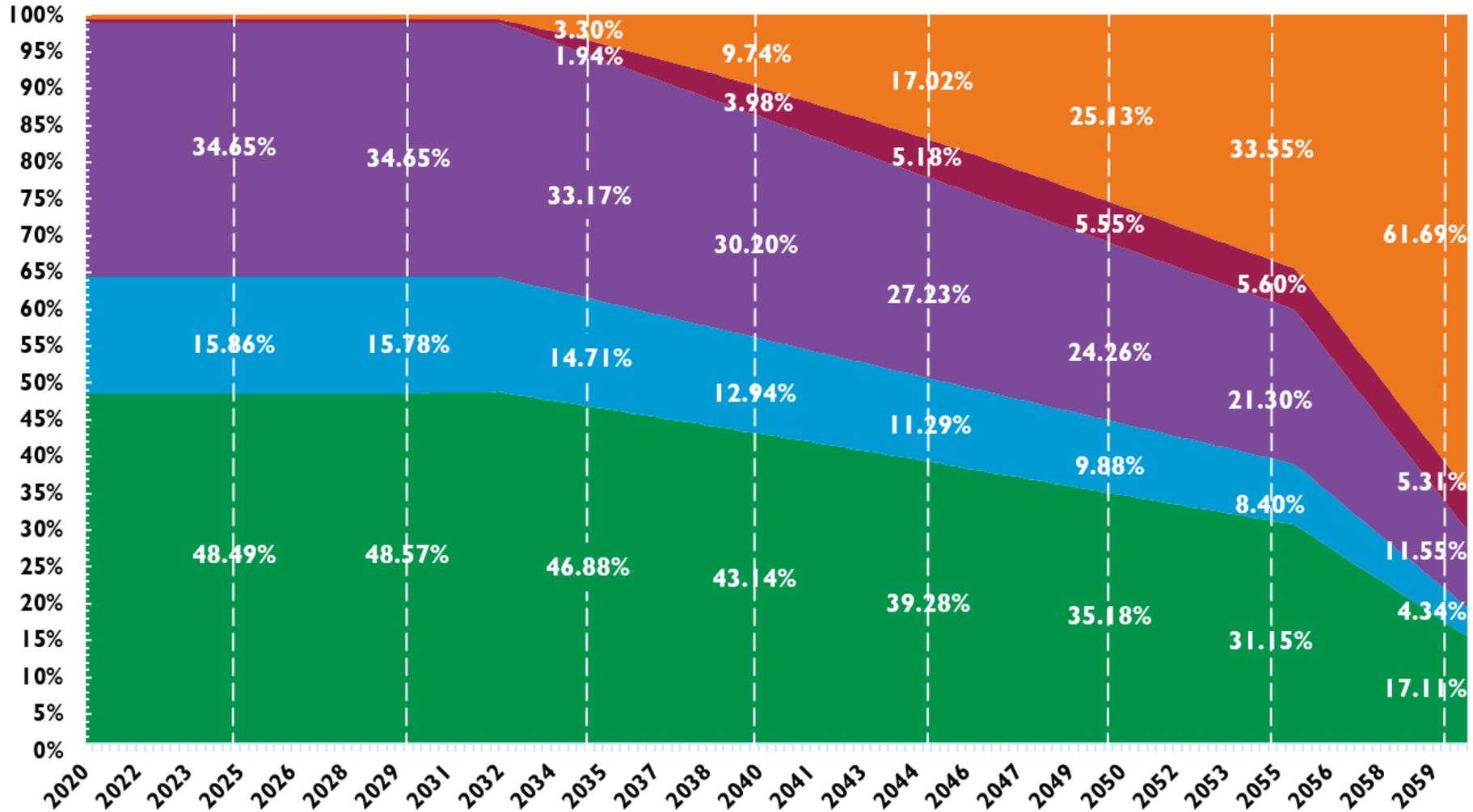
- Rebalanced to their target allocations each business day
- Adjusted quarterly to more conservative investments as the fund time horizon shortens
- Objective is to provide the highest expected rate of return for the amount of risk expected

## L Funds and the Efficient Frontier



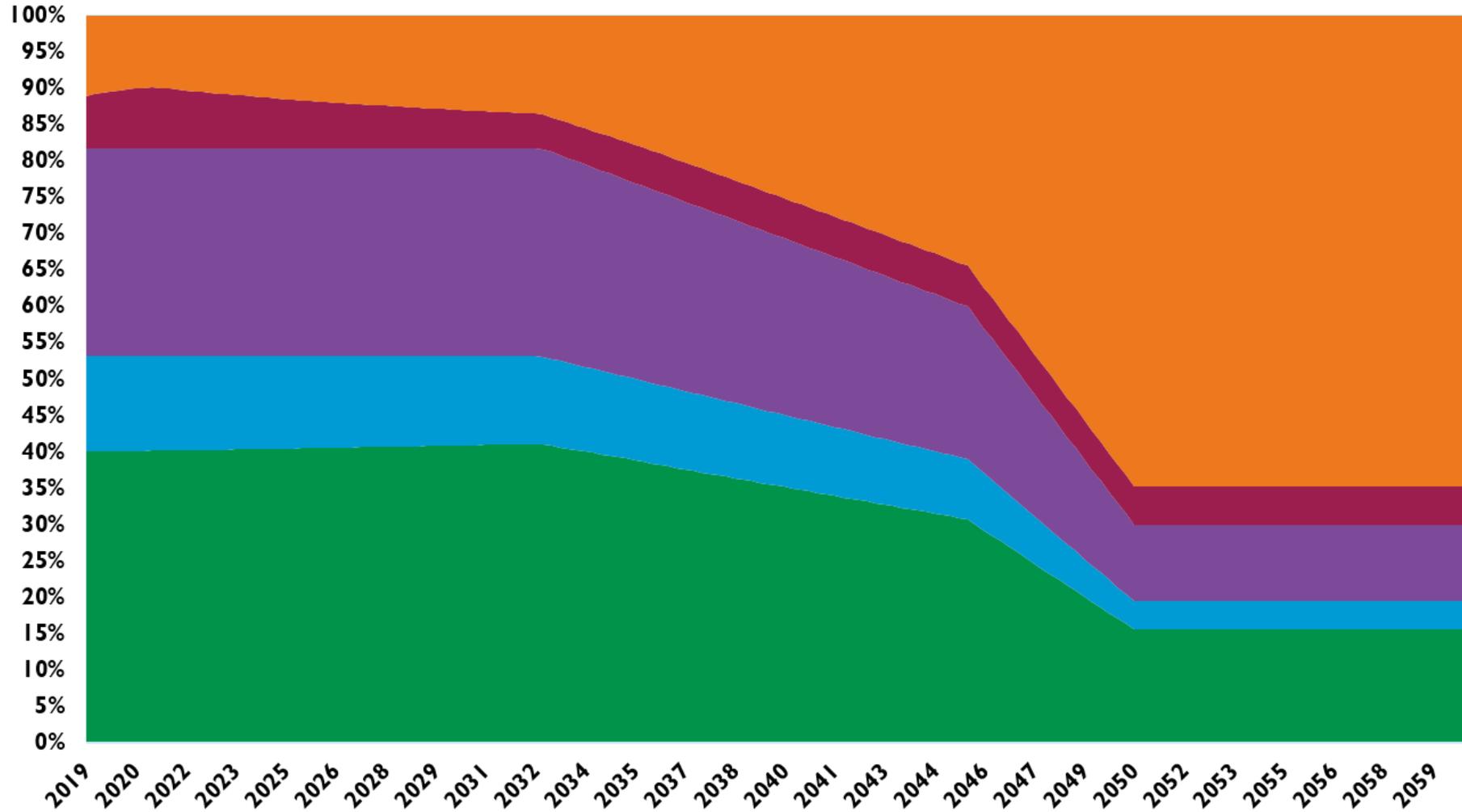
# L 2060 Fund

■ C Fund ■ S Fund ■ I Fund ■ F Fund ■ G Fund



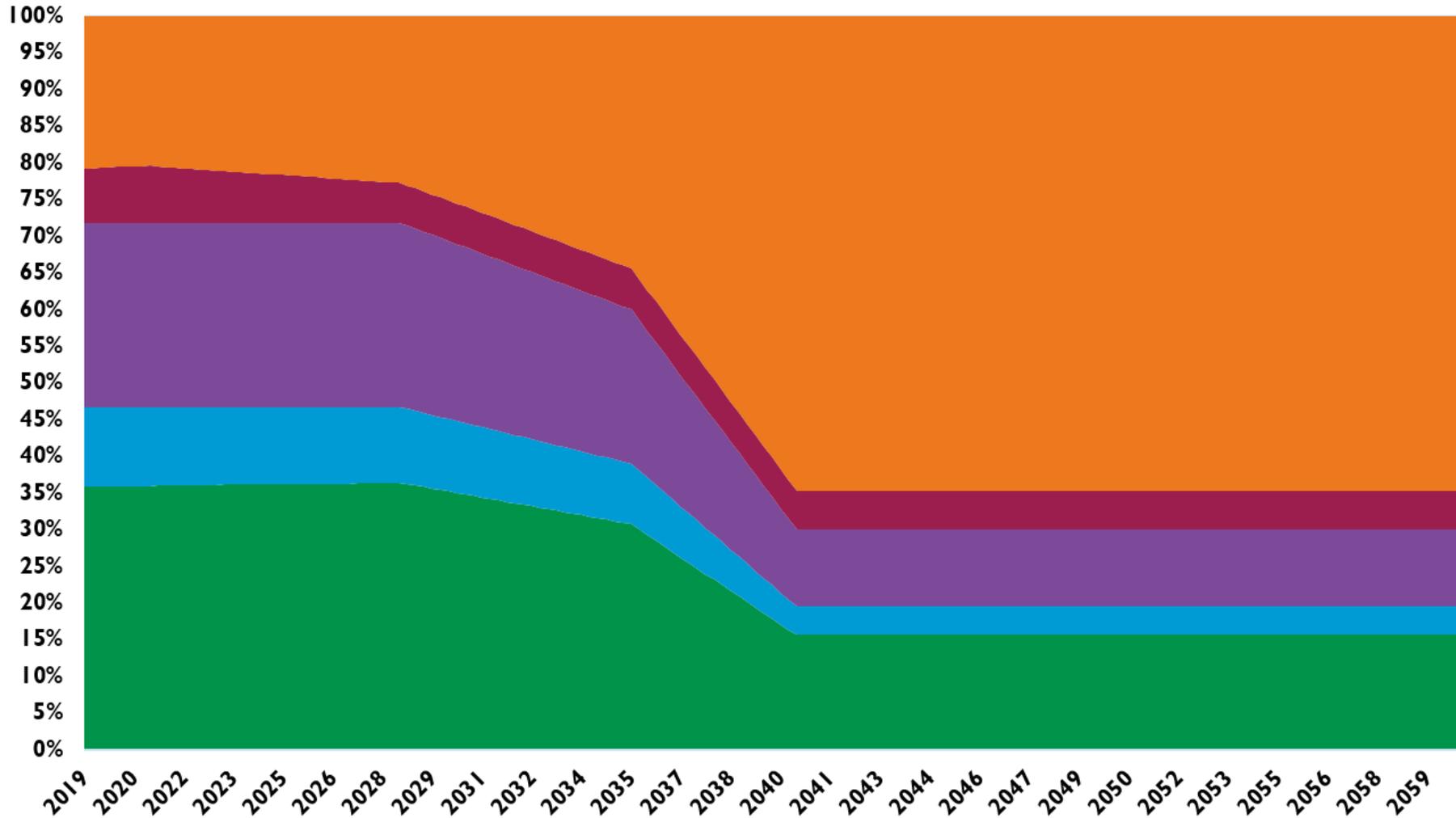
# L 2050 Fund

■ C Fund ■ S Fund ■ I Fund ■ F Fund ■ G Fund



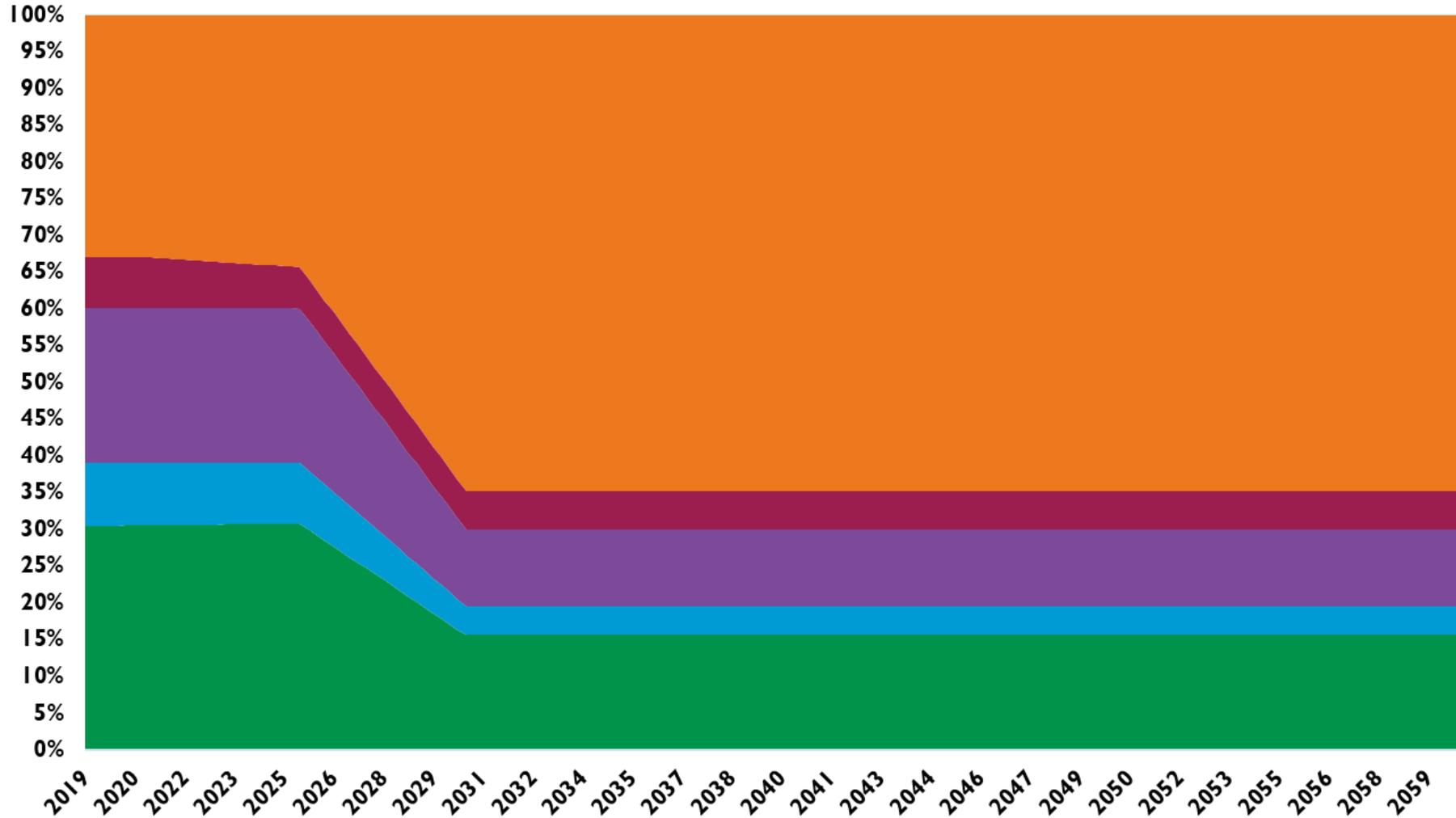
# L 2040 Fund

■ C Fund ■ S Fund ■ I Fund ■ F Fund ■ G Fund

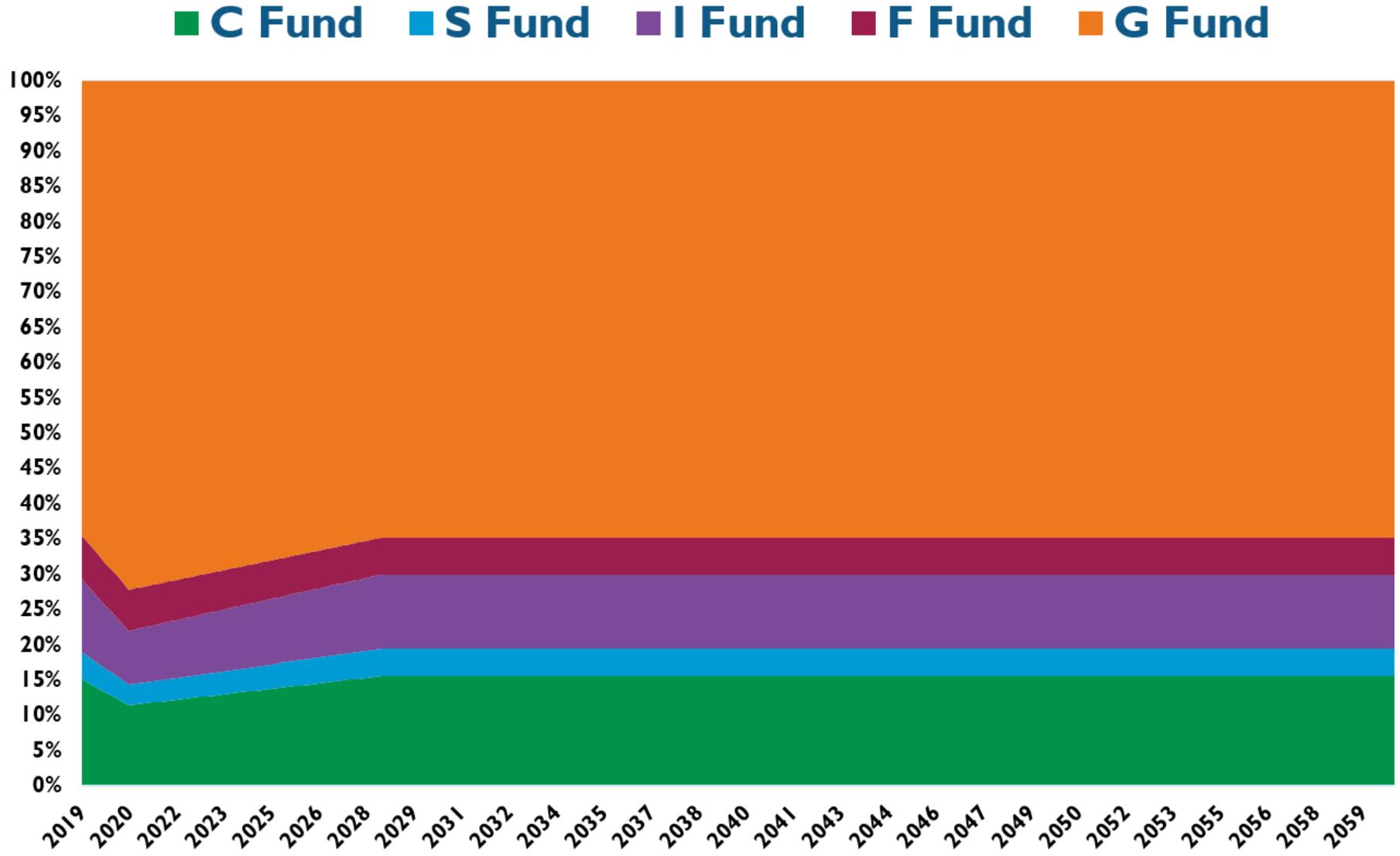


# L 2030 Fund

■ C Fund   ■ S Fund   ■ I Fund   ■ F Fund   ■ G Fund

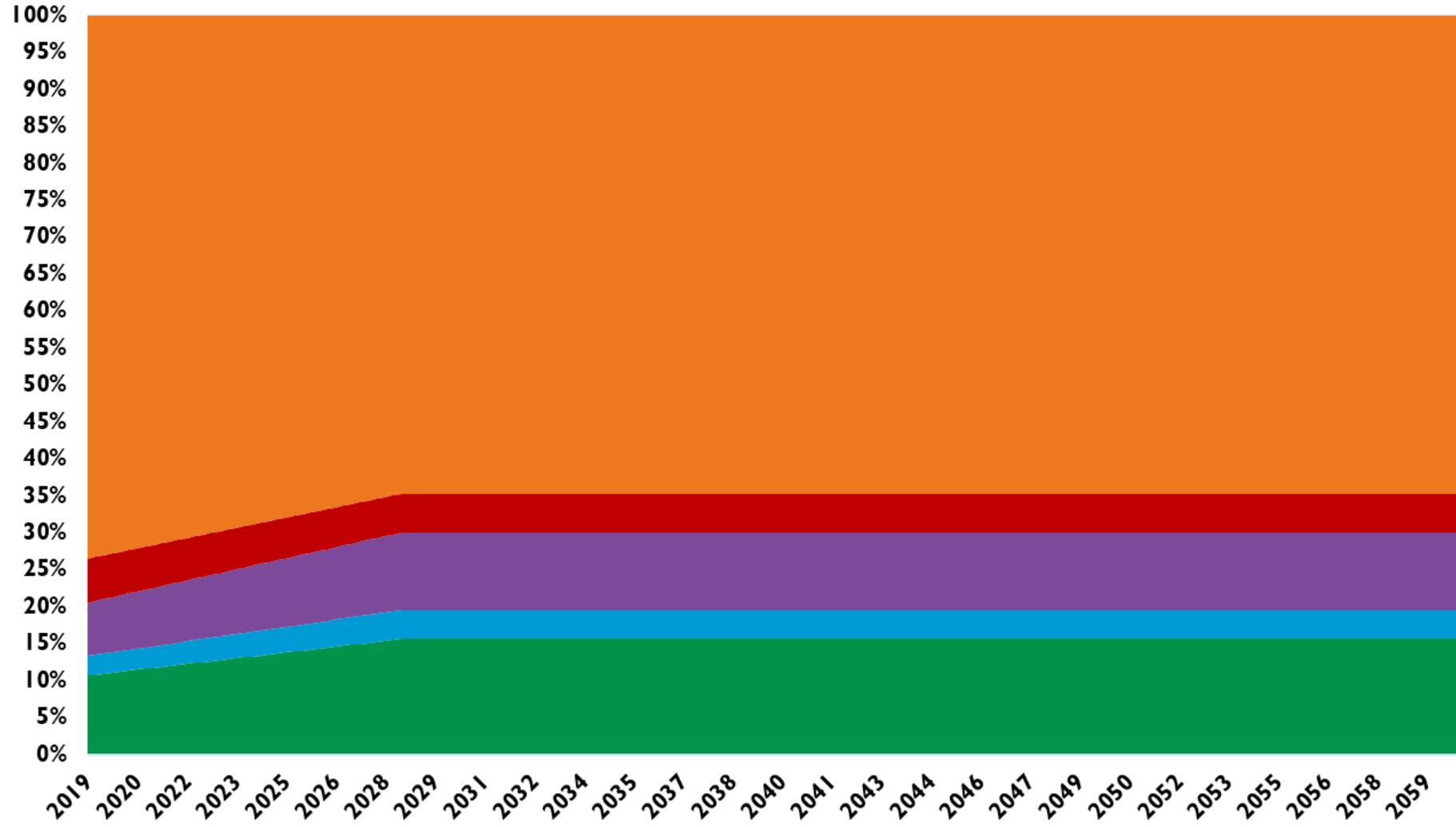


# L 2020 Fund



# L Income Fund

■ C Fund ■ S Fund ■ I Fund ■ F Fund ■ G Fund



# How Do Your Returns Compare?

Year	You?	L Income	L 2020	L 2030	L 2040	L 2050	G Fund	F Fund	C Fund	S Fund	I Fund
2006		7.59%	13.72%	15.00%	16.53%		4.93%	4.40%	15.79%	15.30%	26.32%
2007		5.56%	6.87%	7.14%	7.36%		4.87%	7.09%	5.54%	5.49%	11.43%
2008		-5.09%	-22.77%	-27.50%	-31.53%		3.75%	5.45%	-36.99%	-38.32%	-42.43%
2009		8.57%	19.14%	22.48%	25.19%		2.97%	5.99%	26.68%	34.85%	30.04%
2010		5.74%	10.59%	12.48%	13.89%		2.81%	6.71%	15.06%	29.60%	7.94%
2011		2.23%	0.41%	-0.31%	-0.96%		2.45%	7.89%	2.11%	-3.38%	-11.81%
2012		4.77%	10.42%	12.61%	14.27%	15.85%	1.47%	4.29%	16.07%	18.57%	18.62%
2013		6.97%	16.03%	20.16%	23.23%	26.20%	1.89%	-1.68%	32.45%	38.35%	22.13%
2014		3.77%	5.06%	5.74%	6.22%	6.37%	2.31%	6.73%	13.78%	7.80%	-5.27%
2015		1.85%	1.35%	1.04%	0.73%	0.45%	2.04%	0.91%	1.46%	-2.92%	-0.51%
2016		3.58%	5.47%	7.07%	7.90%	8.65%	1.82%	2.91%	12.01%	16.35%	2.10%
2017		6.19%	9.86%	14.54%	16.77%	18.81%	2.33%	3.82%	21.82%	18.22%	25.42%
2018		0.71%	-0.36%	-3.58%	-4.89%	-6.02%	2.91%	-0.15%	-4.41%	-9.26%	-13.43%
Average		4.03%	5.83%	6.68%	7.29%	10.04%	2.81%	4.18%	9.34%	10.05%	5.43%

# Making TSP Account Transactions

**For New Contributions**



**Contribution Allocation**



**For Money Already in  
Your Account**



**Interfund Transfer**



**My Account section of the TSP website at [tsp.gov](https://tsp.gov)**

**or**

**Thriftline at 1-877-968-3778**

# Participant Statements

- Quarterly Statements (January, April, July and October)
  - In My Account section of [tsp.gov](https://tsp.gov)
  - View on web or opt-in to have statements mailed to you
  - Shows all transactions in your account during preceding three months
- Annual Statements
  - In My Account section of [tsp.gov](https://tsp.gov)
  - View on web
  - Mailed to you by default (Opt-out to stop the mailing)
  - Summarizes financial activity on your account and personal investment performance
- Keep your address and personal information up-to-date
  - If employed, contact your service or agency
  - If separated, update in My Account section, use Form TSP-9 or call the Thriftline

# Quarterly Statement

Participant Address

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-THRIFT5  
 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	\$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

**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

Employed participants should report errors to their agency for correction. Separated participants can submit corrections directly to the TSP.

Your Investment Return

# Quarterly Statement - Page Two

## YOUR QUARTERLY ACCOUNT SUMMARY

TSP FUNDS	Beginning Balance	Contributions and Additions	Withdrawals and Deductions	Interfund Transfers	Gain or Loss This Quarter	Ending Balance	Beginning Shares		Ending Shares	
							Price	Number	Price	Number
<b>Individual Funds</b>										
G Fund	\$48,554.54	\$405.64	-\$8,665.38	\$0.00	\$91.14	\$40,385.94	\$14.2073	3,417.5775	\$14.2356	2,836.9681
C Fund	21,230.80	202.85	- 3,932.24	0.00	1,006.17	18,507.58	21.6001	982.9029	22.6602	816.7443
S Fund	6,637.01	33.79	- 1,224.29	0.00	197.68	5,644.19	31.0038	214.0709	31.8829	177.0288
I Fund	954.51	33.80	- 178.09	0.00	23.75	833.97	24.1817	39.4724	24.7306	33.7220
<b>Total</b>	<b>\$77,376.86</b>	<b>\$676.08</b>	<b>-\$14,000.00</b>	<b>\$0.00</b>	<b>\$1,318.74</b>	<b>\$65,371.68</b>				

## YOUR QUARTERLY LOAN SUMMARY

Loan ID	Principal as of 10/01/2013	Amount of New Loan	TOTAL Principal Repaid	Principal as of 12/31/2013	TOTAL Interest Paid	Last Loan Payment
1009001G	\$0.00	\$14,000.00	\$173.95	\$13,826.05	\$3.41	10/25/2013

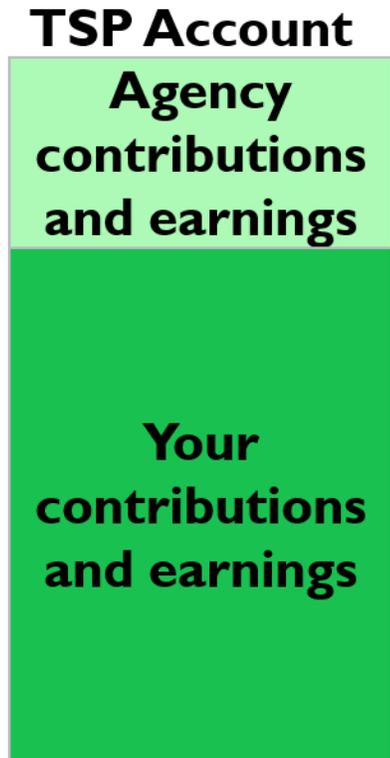
## YOUR TRANSACTION DETAIL BY SOURCE

Payroll Office	Posting Date	Transaction Type	Employee Traditional	Employee Roth	Agency Automatic (1%)	Matching	Total
		Beginning Balance	\$38,451.69	\$0.00	\$8,135.29	\$30,789.88	\$77,376.86
97380100	10/10/2013	Contribution	124.68	0.00	24.94	99.74	249.36
	10/21/2013	Loan Disbursement	- 14,000.00	0.00	0.00	0.00	- 14,000.00
97380100	10/24/2013	Contribution	124.68	0.00	24.94	99.74	249.36
FRB	10/25/2013	Loan Repayment	177.36	0.00	0.00	0.00	177.36
		Gain or Loss This Quarter	638.35	0.00	142.15	538.24	1,318.74
		Ending Balance	\$25,516.76	\$0.00	\$8,327.32	\$31,527.60	\$65,371.68

# Loans and In-Service Withdrawals

Accessing Your TSP Money While Still Employed

# TSP Loans



Loan repayment is through payroll deduction and includes an interest charge equal to the G fund rate when the loan was processed and is fixed for life of loan

You may make additional payments directly

Loans are taken only from your own contributions and earnings

**Loan Amount**  
-\$50 loan fee

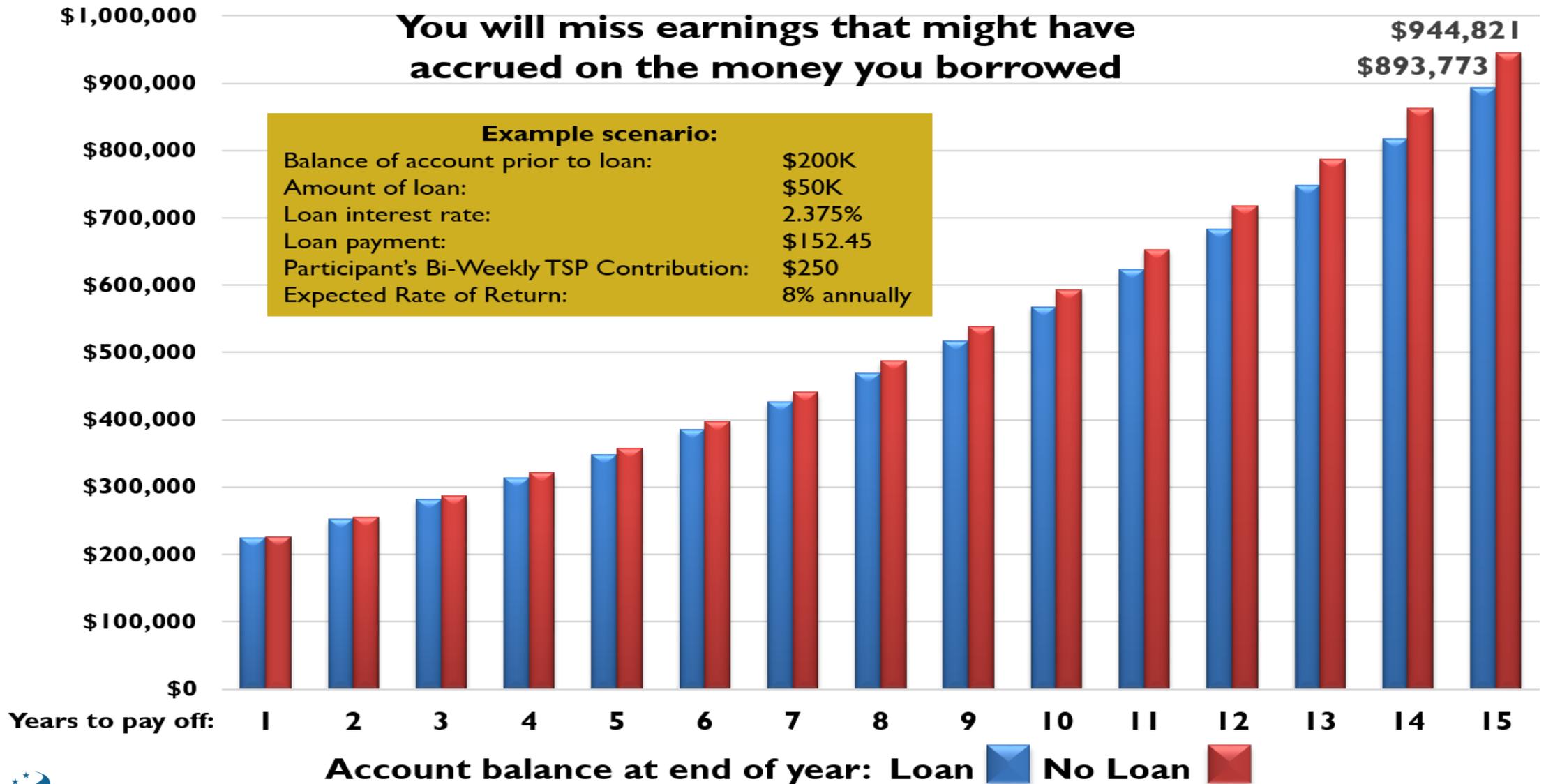
Your Federal Agency		For Pay Period Ending		Net Pay	
Name		Pay Period #	Pay Date		
Pay Plan/Grade/Step		Annual Salary	Hourly Rate		
Home Address		Pay Check Address			
Basic Information		TSP Tax Deferred Amt% \$993.00		TSP Roth Amt% 0%	
Your Pay Consists of		Current	YTD	Tax Information	Marital Exemptions
Gross Pay					Additional
Deduction					Current YTD Wages
Net Pay					
EARNINGS					
Type	Rate	Adjusted	ADJ Hours	Hours	Current YTD
Regular					
DEDUCTIONS					
Type	Misc	Adjusted	Current	YTD	Type Misc Adjusted Current YTD
Federal Taxes					
Dental/Vision					
TSP Tax Deferred					
TSP Roth Catch-Up					
OASDI Tax					
FELI - Regular					
FELI - Family					
Discretionary Allotment					
State Tax 1 / VA					
FSA/HC					
TSP Tax Deferred Catch-Up					
Retirement - FEBS					
Medicare Tax					
FELI - Optional					
Thrift Savings Plan Loan					
BENEFITS PAID BY GOVT.					
Type	Current	YTD	Type	Current	YTD
FELI					
Medicare					
OASDI					
TSP Basic					
TSP Matching					
FEBS					



# Other Loan Rules

- May have two loans outstanding at same time if one is a residential loan and one is a general purpose loan (per TSP account, if applicable)
- A valid or pending court order will prevent a loan disbursement
- There is a 60 day waiting period between the payoff of a loan before another like loan may be granted
- Loans are subject to spouses' rights
- When you leave Federal service with an outstanding loan balance, you will not be able to make a withdrawal from your TSP account until your loan is closed by either payment in full or the loan is treated as a taxable distribution

# Indirect Loan Costs



# Financial Hardship Withdrawals

The amount you withdraw from your account for a financial hardship must be limited to your financial need

To be eligible, your financial need must result from at least one of the following four conditions:

- **Minimum withdrawal \$1,000**
- **May only withdraw your own contributions and earnings**

**Recurring negative monthly cash flow**

**Medical expenses that you have not yet paid and that are not covered by insurance**

**Personal casualty losses that you have not yet paid and that are not covered by insurance**

**Legal expenses (such as attorneys' fees and court costs) that you have not yet paid for separation or divorce from your spouse**

# Financial Hardship Withdrawals

- Will permanently reduce your retirement savings
- Are subject to income taxes
- May be subject to the IRS 10% early withdrawal penalty tax
- Will cause a suspension to your TSP contributions for six months\*
- Are subject to spouses rights

\*The six month contribution suspension period will be eliminated as of September 15, 2019

# Age-Based In-Service Withdrawals

- Must be age 59½ or older
- Minimum withdrawal is \$1,000; maximum is entire vested account balance
- Considered an eligible rollover distribution and subject to mandatory 20% Federal income tax withholding
- All or any portion may be transferred to an IRA or another eligible employer plan
- After new withdrawal rules go into effect, may take up to four per year and taking in-service withdrawals will not have any effect on eligibility to take post separation withdrawals



# Thrift Savings Plan A to Z (Part II)

PRESENTED BY

STEWART KAPLAN, CEBS<sup>®</sup>, AFC<sup>®</sup>, RFC<sup>®</sup>



**Thrift Savings Plan**

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD  
tsp.gov

tsp4gov @



# Agenda

- **First Steps: Preparing for Separation**
- **Turning Savings to Income: The TSP Retirement Income Options**
- **Withdrawal Rules: Other Considerations**
- **Planning Your Legacy: TSP Death Benefits**
- **Getting Help: Resources for Participants**

# Preparing for Separation

First Steps

# Sources of Retirement Income

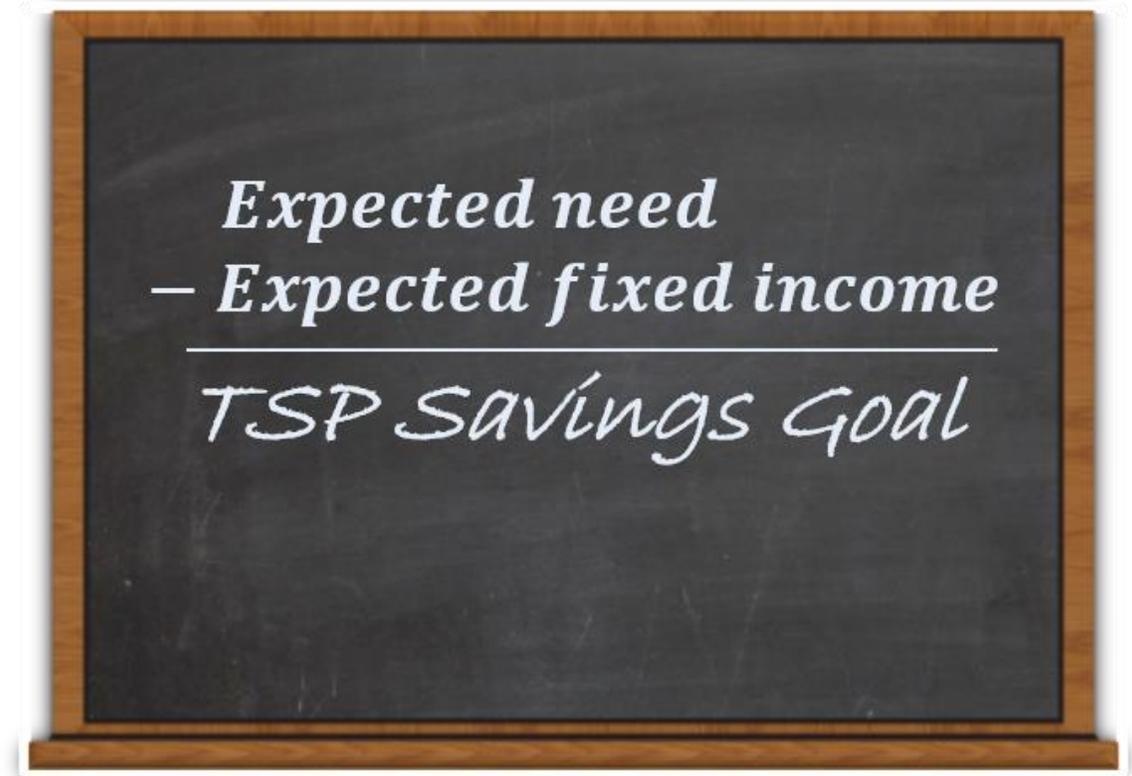


Job in  
retirement?

Pension(s)

Social Security

Savings (TSP)



# Contribution Considerations

There is a \$19,000 annual limit on your regular TSP contributions and a \$6,000 annual limit on “Catch-up” contributions



All contributions you make to employer plans\* (including the TSP) during the same calendar year count toward the IRS elective deferral limit

You **CAN** contribute the maximum amount over **LESS** than the full tax year\*\*

\*Governmental 457(b) plans have separate limit

\*\*For any pay periods a FERS or BRS participant does not make a contribution, there will be no corresponding matching agency/service contribution.

# Loans and Separation from Federal Service

- TSP loans must be settled within 90 days of separation to avoid a taxable distribution
- Participant may re-amortize 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

**Agency payroll sends TSP record keeper separation code for participant**

**TSP sends separated participant a notice with 90 days to pay the outstanding loan balance**

**Participant may accelerate the taxable distribution date by signing the intent block on the notice and sending back to TSP**

**Participant may make a full payment or make partial payments during the 90 day period**

**TSP declares a taxable distribution upon expiration of the 90-day period and reports to IRS**

# 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 TSP 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, if you still have a balance in your account, you can 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 inter-fund 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

# Overview of the New TSP Withdrawal Options

- The TSP Modernization Act of 2017 was signed into law in November 2017 and expected to be in effect in September 2019
- The law will provide TSP participants with more flexible withdrawal options including:
  - Multiple age-based withdrawals for those 59½ or older while in-service
  - Multiple partial post-separation withdrawals
  - Option to select withdrawal from Roth balance only, Traditional balance only or a pro-rata mix of both
  - Elimination of the full withdrawal election requirement once the participant turns 70½ and is separated although IRS Required Minimum Distributions (RMDs) rules will still apply
  - Option to receive installment payments on a monthly (no change), quarterly or annual basis and to stop, start, or make changes at any time
  - Option to elect a partial lump sum withdrawal, purchase an annuity, or request a full lump sum withdrawal while receiving installment payments

# In-Service and Post-Separation Withdrawal Options (Current Law)

## In-Service

- Age-Based (59 ½) Withdrawal
  - Lump sum
  - Limited to one
- Financial Hardship Withdrawal

## Post-Separation

- Partial Withdrawal
  - Lump sum
  - Limited to one
- Full Withdrawal
  - Monthly Payments (Dollar amount or based on life expectancy)
  - Life Annuity
  - Single Payment

# In-Service and Post-Separation Withdrawal Options (New Law)

## In-Service

- Age-Based (59 ½) Withdrawal
  - No more than four times/year
  - No less than 30 days apart
- Financial Hardship Withdrawal
  - No change

## Post-Separation

- Lump sum
  - No less than 30 days apart
  - No lifetime limit
- Installments (Dollar amount or based on life expectancy)
  - Monthly
  - Quarterly
  - Annually
- Life Annuity

# Withdrawals – Pro-Rata or Choice?

## Current Law – Pro-Rata Only

- If account has both Traditional and Roth balances,
  - Participant must take withdrawal pro-rata from both

## New Law – Choice

- If account has both Traditional and Roth balances,
  - Participant may take withdrawal from either balance first or pro-rata from both

# Installment Payments

## Fixed Dollar

- Amount specified by participant
- Minimum payment \$25
- May transfer payments to an IRA or another eligible plan (if payments expected to last less than 10 years)
- May adjust amount of tax withholding (if payments expected to last 10 years or more)
- May change direct deposit information
- May request a final single payment anytime

## Based on Life Expectancy

- Payments are computed by TSP
- 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

**Example: Account balance = \$100,000**  
**Request \$1,000/month, therefore:**  
 **$\$100,000 / \$1,000 = 100$  months and  $100 < 120$ ,**  
**so payments expected to last < 10 years**

# 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

	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	✓	-	-

# Required Minimum Distributions

- 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
- RMD automatically issued at end of calendar year, if necessary to ensure full amount is withdrawn by December 31st
- 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



# Life Expectancy Payments and Required Minimum Distributions

## Single Life Table

Age	Distribution Period	Approximate Percentage
60	25.2	3.97%
61	24.4	4.10%
62	23.5	4.26%
63	22.7	4.41%
64	21.8	4.59%
65	21	4.76%
66	20.2	4.95%
67	19.4	5.15%
68	18.6	5.38%
69	17.8	5.62%

## Uniform Lifetime Table

Age	Distribution Period	Approximate Percentage
70	27.4	3.65%
71	26.5	3.77%
72	25.6	3.91%
73	24.7	4.05%
74	23.8	4.20%
75	22.9	4.37%
76	22	4.55%
77	21.2	4.72%
78	20.3	4.93%
79	19.5	5.13%

Age	Distribution Period	Approximate Percentage
80	18.7	5.35%
81	17.9	5.59%
82	17.1	5.85%
83	16.3	6.13%
84	15.5	6.45%
85	14.8	6.76%
86	14.1	7.09%
87	13.4	7.46%
88	12.7	7.87%
89	12	8.33%

Account Balance ÷ Distribution Period = % of account balance that must be withdrawn during calendar year

Source: TSP Tax Notice – [Important Tax Information About Your TSP Withdrawals and Required Minimum Distributions](#)

# TSP.gov 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](#)



# Other Considerations

Withdrawal Rules

# Spouse's Rights

Retirement Plan	Requirement*	Exceptions†
<b>FERS or Uniformed Services</b>	Notarized spouse signature required**	Whereabouts unknown or exceptional circumstances - TSP-16 or TSP-U-16 required
<b>CSRS</b>	Spouse is entitled to notification of the participant's withdrawal election	Whereabouts unknown or exceptional circumstances - TSP-16 required

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

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

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



Source: TSP.gov: [Plan Participation, Loans and Withdrawals, Withdrawals After Leaving Federal Service, Special Withdrawal Considerations, Spouses Rights](#)

**Thrift Savings Plan**

# Important Tax Information About Payments From Your TSP Account

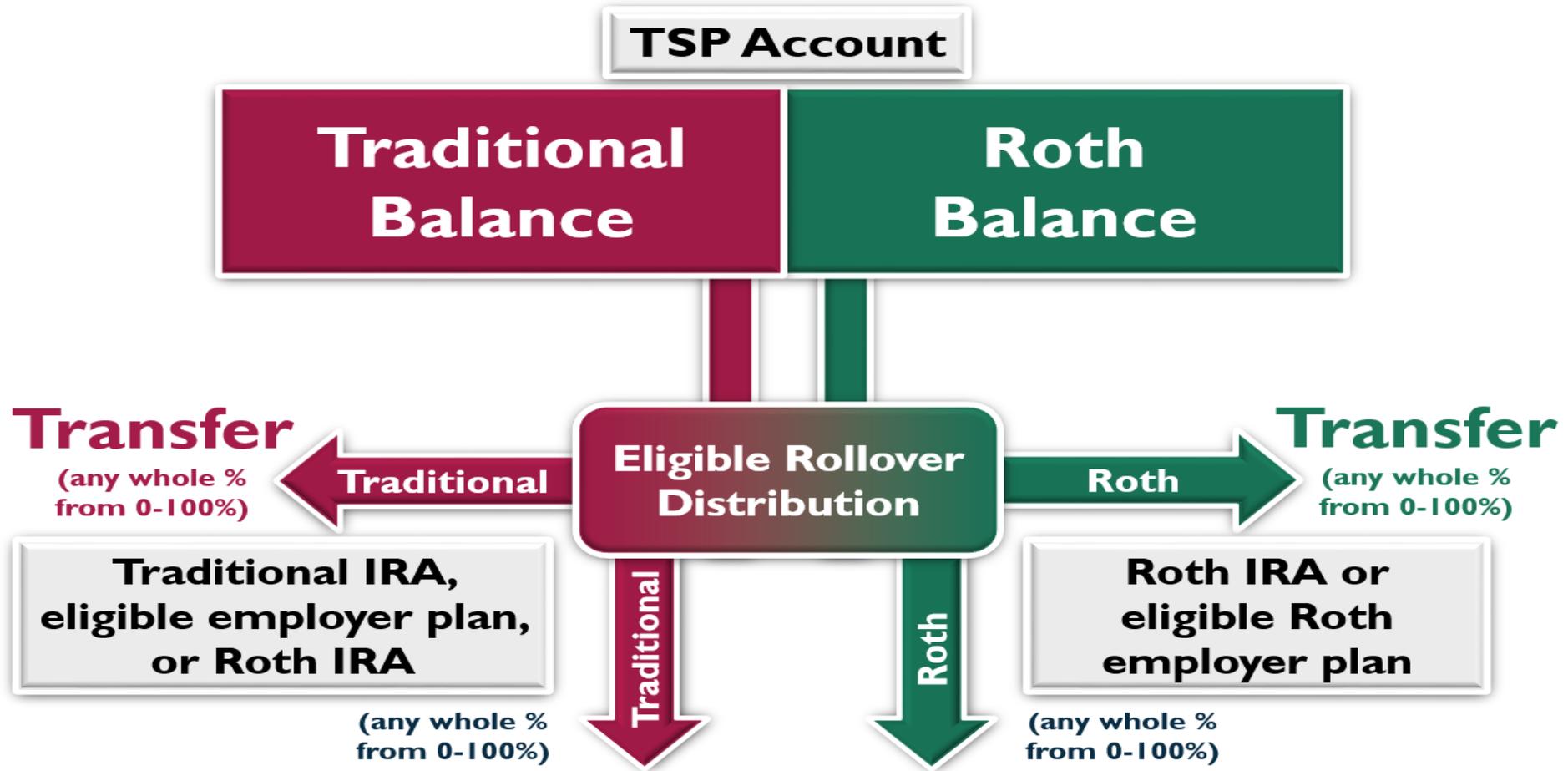
## Fact Sheet

- Terms and definitions (Eligible Rollover Distributions, Qualified Distributions, Transfer vs. Rollover)
- Proportional (pro-rata) withdrawals
- Transferring or rolling over your TSP distribution
- What we withhold for taxes
- Taxable distributions on loans after separation from service
- 10% Early withdrawal penalty tax
- Required Minimum Distributions
- Death Benefit payment and court-ordered payments
- Tax Treatment for TSP Payments Chart

# 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	Yes	20% (mandatory) unless transferred
Monthly payments for 10 years or more	No	As if married w/3 (may be changed or waived)
Monthly Payments based on life expectancy	No	As if married w/3 (may be changed or waived)

# Eligible Rollover Distributions



## Distribution to Participant\*

Whatever isn't transferred will be distributed

\*Tax-deferred distributions remain eligible to be rolled over within 60 days

# 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 IRC)
- TSP monthly payments based on life expectancy
- Lifetime annuity payments
- Ordered by a domestic relations order
- 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
- Received by military reservists called to active duty for a period in excess of 179 days and distribution is received between the date of the order or call and the close of the active duty period

# TSP Death Benefits

Planning Your Legacy

# TSP Death Benefits – Beneficiaries

- By default, death benefits are disbursed according to “statutory order of precedence:”
  - 1) Spouse
  - 2) Natural and adopted children
  - 3) Parents
  - 4) Appointed executor or administrator of your estate
  - 5) Next of kin
- Alternatively, you may designate beneficiary(ies) on Form TSP-3, *Designation of Beneficiary*
- Can be: spouse, other individual(s), trust, estate, legal entity/corporation
- Death is reported to the TSP on Form TSP-17, *Information Relating to Deceased Participant*
- The beneficiary will receive IRS Form 1099-R reporting the distribution

# Death Benefits: Update

**Account Information**

- Account Balance
- Recent Transactions
- Activity Summary
- Statements
- Correspondence from the TSP
- Message Center

**Online Transactions**

- Contribution Allocations
- Interfund Transfers
- TSP Loans
- Withdrawals

**Personal Information**

- Profile Settings
- Beneficiaries**

## Beneficiaries: Civilian

You do not have a valid Form TSP-3, *Designation of Beneficiary*, on file. Your account will be distributed according to the statutory order of precedence required by law. ONLY complete Form TSP-3, *Designation of Beneficiary*, if you want distribution to be made in a way *other than* the following order of precedence:

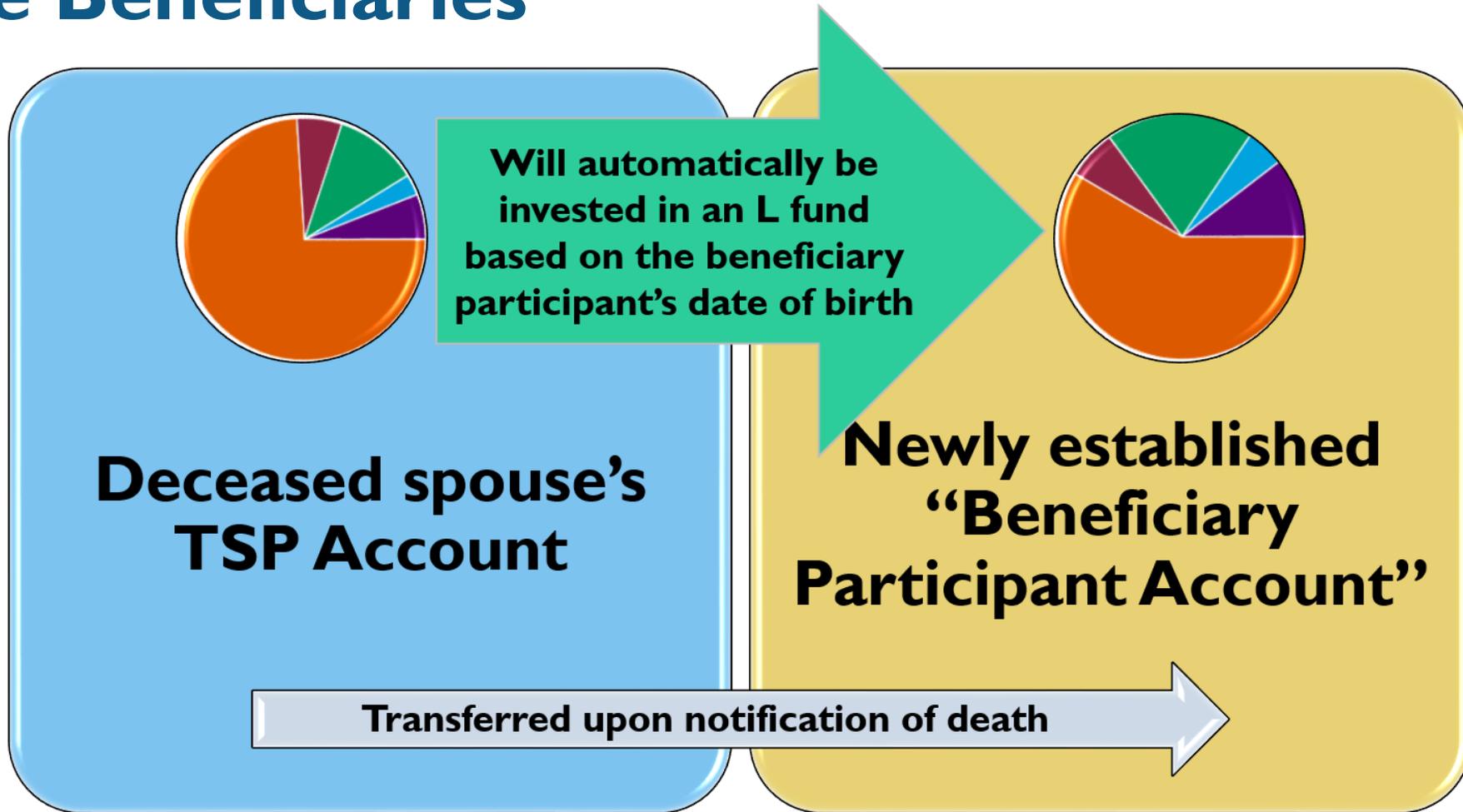
1. To your spouse
2. If none, to your child or children equally, with the share due any deceased child divided equally among that child's descendants
3. If none, to your parents equally or to the surviving parent
4. If none, to the appointed executor or administrator of your estate
5. If none, to your next of kin who would be entitled to your estate under the laws of the state in which you resided at the time of your death

As used here, "child" means either a biological child or a child adopted by the participant. It does not include your stepchild unless you have adopted the child. Nor does it include your biological child if that child has been adopted by someone other than your spouse.

The term "parents" does not include stepparents who have not adopted you.

[Designate New Beneficiaries](#)

# Spouse Beneficiaries



- BPA account owner will have same investment and withdrawal options as separated TSP participants
- BPA accounts cannot accept transfers or rollovers from other plans or IRAs
- Interfund transfers follow same rules that apply to all account holders

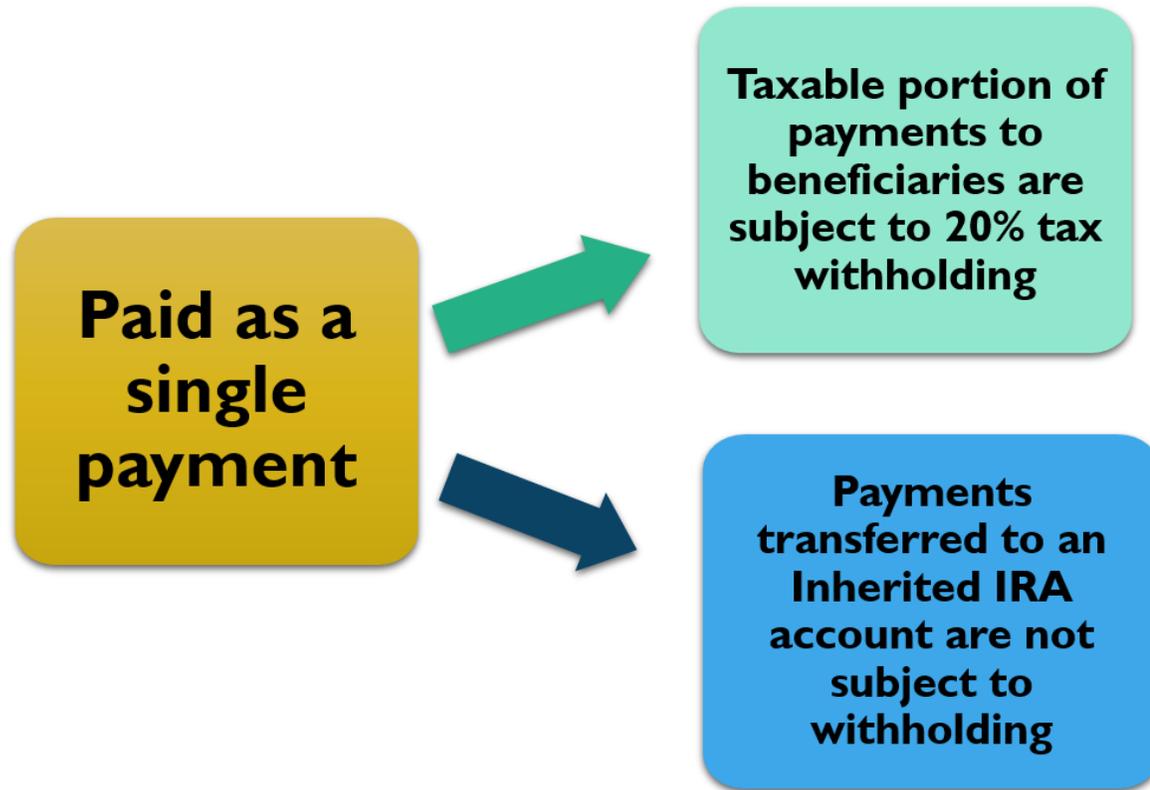
# Beneficiary Participant Account Rules

- Spouse may designate beneficiaries using Form TSP-3
- Death benefit payments from a BPA are single (non-periodic) payments to the designated beneficiaries
- Subject to 10% federal withholding
- Cannot be transferred or rolled over to an IRA (to include inherited IRA) or eligible employer plan
- Required Minimum Distributions from BPA:
- Begin date is based on age of the deceased TSP participant
- Amount is based on age of the beneficiary

# Considerations with BPA Transfers

	BPA	Other Employer Plan	IRA
Successor Beneficiaries	Death benefit payments to successor beneficiaries may not be transferred or rolled over	Death benefit payments to successor beneficiaries may be transferred or rolled over	Death benefit payments to successor beneficiaries may be transferred or rolled over
Early Withdrawal Penalty	No penalty on early distributions	No penalty on distributions after age 59½ Exceptions exist – see “exceptions slide”	No penalty on distributions after age 59½ (other exceptions may apply)
Spousal Rights	Spousal rights not applicable	Spousal rights apply <b>per</b> applicable laws and plan rules	Spousal rights not applicable
Required Minimum Distributions	Required beginning date based on age of deceased participant & Required payment amount based on spouse’s age	Required beginning date based on when beneficiary turns 70½ or retires, whichever is later	Required beginning date based on when beneficiary turns 70½

# Non-Spouse Beneficiaries



## Inherited IRAs

- Allows non-spouse beneficiaries to take the IRC Required Minimum Distribution amount based on their age
- The remaining balance continues to grow
- Each year the IRC minimum required distribution increases slightly
- Beneficiaries may want to seek assistance of a tax professional to discuss options

# Court Orders and Legal Processes

- Your TSP account can be:
  - Divided in an action for divorce, annulment, or legal separation, or
  - Garnished to satisfy a legal process associated with past-due alimony, child support obligation, IRS tax levy, or victims restitution pursuant to the Mandatory Victims Restitution Act

# Resources for Participants

Getting Help

**MY ACCOUNT**

TSP Account Number  
 User ID

Password

[Help](#) [Log In](#)

[Protect Your TSP Account](#)



## ONLINE PASSWORD RESET

You can reset your password online.

[Learn More](#)

1 2 3

[My Account](#) | [Plan Participation](#) | [Investment Funds](#) | [Planning & Tools](#) | [Life Events](#) | [Participant Support](#)

Enter search term(s)

**Plan Participation**

How to set up and manage your TSP account

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

[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 >](#)

Text size: [+](#) [-](#)

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# Access Your TSP Account

My Account

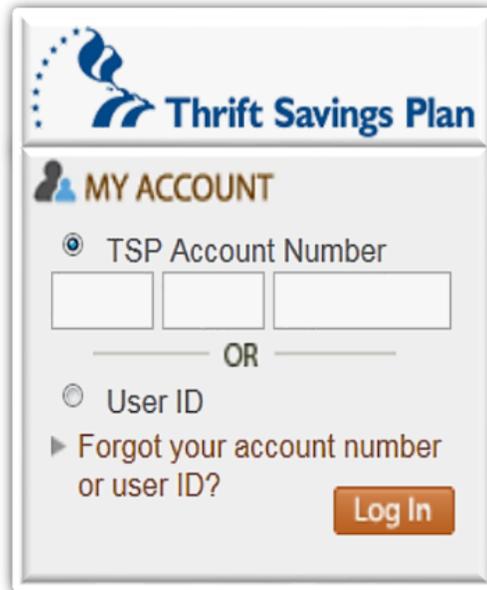
Plan Participation

Investment Funds

Planning & Tools

Life Events

Participant Support



The screenshot shows the Thrift Savings Plan logo at the top left. Below it is the heading "MY ACCOUNT" with a person icon. There are two radio button options: "TSP Account Number" (which is selected) and "User ID". Under "TSP Account Number" are three input fields. Below these is the word "OR". Under "User ID" is a link that says "Forgot your account number or user ID?". At the bottom right of the form is a "Log In" button.

View account balance

View Annual & Quarterly Statements

Change contribution allocation

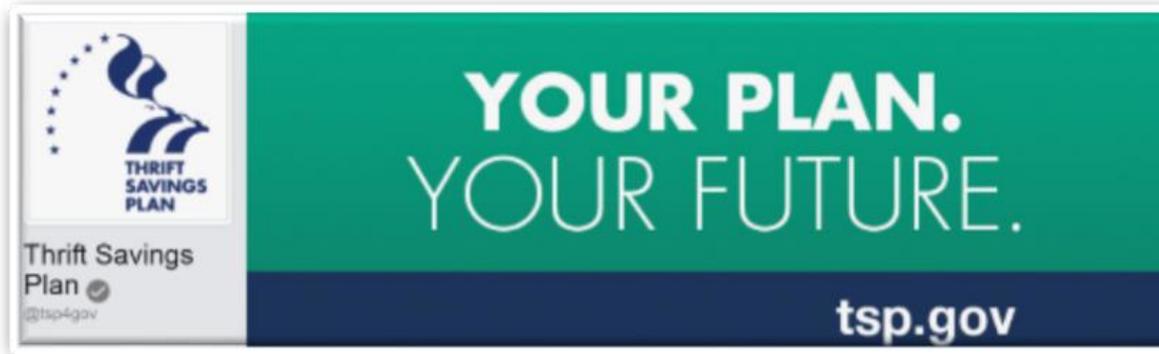
Request interfund transfers

Request loans and withdrawals

Create (or change a user ID)

Change or request a Web password

# Contacting the TSP



You may also visit **TSP.GOV** and log into "My Account" to perform many of these transactions and inquiries.

Follow us on:  
@tsp4gov

**Notes**

**ThriftLine**  
1-877-968-3778  
Available 24 hours a day, 7 days a week.  
Outside the U.S. and Canada:  
404-233-4400  
TDD: 1-877-847-4385



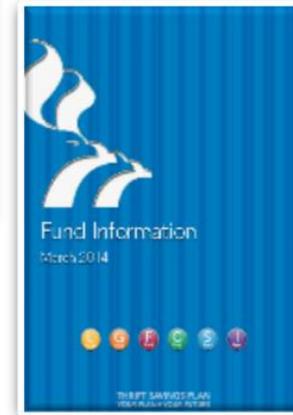
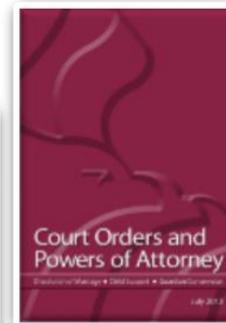
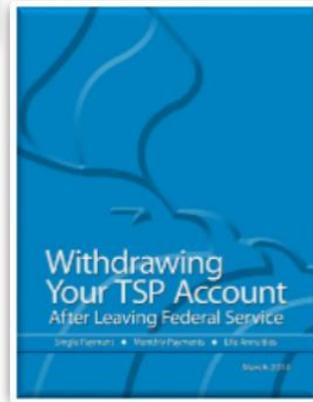
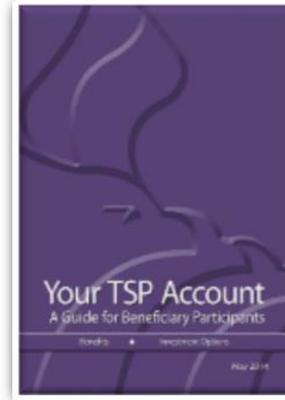
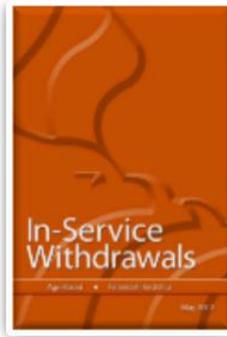
Secure Message Center: Civilian

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

# TSP Publications



# Survey

Thank you for taking the time to complete this short survey about your recent TSP training event. Your participation in this survey is voluntary but keep in mind the FRTIB (TSP) Education and Outreach Division uses these to improve the learning experience for TSP Participants, Beneficiaries, Agency and Service Representatives.

**<https://www.surveymonkey.com/r/PMG7M8T>**

Please consider your answers carefully. This survey will be used to improve our services and provide you with information that is timely, relevant, and informative

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