

TABLE OF CONTENTS

Introduction	i
Explanation of terms	1
Your first payment	3
Certificate of Benefits	5
Yearly Benefit Statement	5
Employer death benefit	6
Unpaid retirement benefits	6
Federal income tax information	7
How to report your survivor's pension for federal income taxes	8
Additional federal income tax information	17
State income tax information	19
Form W-4P: Withholding Certificate for Pension Payments	20
Pension increases	22
Supplemental pension payment ("13th Payment")	22
IMRF ECO Survivor Benefits	
Surviving Spouse with Child's pension	23
If you remarry	24
ECO Child's pension	25
IMRF death benefits	26
Address changes	27
Direct Deposit	28
Representative payee	31
Conservator, guardian, or trustee	32
Power of Attorney	32
Social Security & private pensions	33
General information	35
IRS tax publications	37

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Introduction

The purpose of this booklet is to provide you with information about your IMRF survivor's benefits under the Elected County Official (ECO) Plan.

The information provided in this booklet is general. If you have specific questions regarding your individual benefits, please contact an IMRF Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673) Monday through Friday 7:30 a.m. to 5:30 p.m.

You can also find information about IMRF at www.imrf.org

The information in this booklet was accurate at the time of printing. All information is subject to change without notice

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Explanation of terms used in this booklet

Listed below are some terms used in this booklet.

Annuitant

A person receiving an IMRF pension or surviving spouse pension.

Beneficiary

When a member joins IMRF, he/she completes a Designation of Beneficiary. Also, most IMRF members complete a new designation of beneficiary form after they retire. The beneficiary is the person designated to receive any benefits payable upon the death of the member.

Divorce

The dissolution of a marriage or civil union.

Effective Date of Retirement

The date a member is first entitled to receive pension benefits. IMRF pensions start as of the first day of the month after participation terminates. The effective date, not the date of the first payment, is important when determining the applicable tax treatment.

Eligible Spouse

If an IMRF member and his/her spouse were married or in a civil union for more than one year when the member stopped participating in IMRF, his/her spouse is eligible for an IMRF surviving spouse pension. If the spouse pre-deceases the member and he/she remarries or enters into a new civil union, the second spouse would be eligible for a surviving spouse pension if they were married or in a civil union for at least one year prior to the member's death and the member retired on or after March 26, 1992.

Employer Funded Death Benefit

A \$3,000 benefit, funded by IMRF employers, usually payable upon the death of a retired member.

Exclusion

That portion of your monthly benefit payment that is **not** subject to federal income tax. For example, if your monthly pension is \$100 and your monthly exclusion amount is \$1.50, the \$1.50 is **not** subject to (or is excluded from) federal income tax.

IMRF calculates the monthly exclusion amount using the “Simplified General Rule.” You can find more information about this method on page 13 of this booklet, and in IRS Publication 575, “Pension and Annuity Income.”

Previously taxed contributions

If a member made contributions to IMRF before 1984, those contributions are previously taxed. That is, the money used to pay those contributions has already been subject to federal income tax—the member paid tax on the money used to make them.

A portion of a member’s retirement benefit (and in some cases, a survivor’s benefit) is a return of the member’s own contributions. If those contributions are “previously taxed,” then that portion of the benefit payment is **not** subject to federal income tax.

Tax deferred contributions

If a member made contributions to IMRF since 1984, the money used to pay those contributions has *not* been subject to federal income tax. The contributions were deducted from the member’s pay checks without being taxed. Therefore, the member has not been taxed on the money used to make those contributions.

A portion of a member’s retirement benefit (and in some cases, a survivor’s benefit) is a return of the member’s own member contributions. If those contributions are “tax deferred,” then that portion of the benefit payment **is** subject to federal income tax.

Your first payment

Your pension becomes payable the first day of the month following the death of the retired member. Due to processing time, your first survivor's pension payment may include payments for more than one month. You will receive a separate piece of correspondence explaining what months the payment covers (also called the benefit period).

Direct Deposit of your pension payment

IMRF verifies the routing and account numbers of your financial institution on your direct deposit form. If the verification is completed:

- **Before** we process your first payment, that payment will be directly deposited.
- **After** we process your first payment, you will receive a check for your first payment, and subsequent payments will be directly deposited.

Beneficiary packet

Every beneficiary spouse of an ECO member receives a copy of this booklet ("Insights: For Beneficiaries of IMRF ECO Members"), as well as the following:

- 1) Form 1199, "Application for Direct Deposit" (See page 28)
- 2) "Are You Planning to Continue Your Employer's Health Insurance?," a booklet about continuing your health insurance through your spouse's employer. The booklet includes IMRF Form 7.10, "Health Insurance Continuation Through Employer - Premium Deduction Authorization"
- 3) Are You Looking for Information About IMRF-endorsed Health Insurance Programs?, a booklet on choosing a health care plan endorsed by the IMRF Board of Trustees.
- 4) Additional mailings form
- 5) A reply envelope

Form W4-P, *Withholding Certificate for Monthly Annuity Payments*, is available online through your Member Access account at www.imrf.org/myimrf (see pages 20 & 21 for more information).

Member Access

With Member Access, you can view up-to-date information about your IMRF account, 24 hours a day, from any computer with internet access.

Member Access gives you detailed information about your IMRF account when you need it. When you have a Member Access account, you can:

- View your pension payment history and payment detail
- Change your tax withholding
- View documents such as your annual 1099R tax forms and your yearly benefit statement
- Change your contact information (including your address)
- Register for retiree workshops

How to sign up

Applying for an account is easy—visit www.imrf.org/myimrf.

For your security and privacy, you cannot request or receive a user ID and password by phone or email.

Certificate of Benefits

This green and white document, which is mailed separately, contains useful information and should be kept with your other important papers.

The Certificate of Benefits includes the:

- Amount of your monthly pension
- Effective date of your pension
- Annual increase you can expect to receive next January and every January thereafter.

IMRF members are guaranteed the return of all pension contributions they made plus interest. The Certificate of Benefits explains this guaranteed amount. If you should die before you receive the guaranteed amount, the balance, if any, will be paid to the late member's primary beneficiary(ies). If no primary beneficiary(ies) exists, the balance if any, will be paid to the late member's secondary beneficiary(ies). If no secondary beneficiary(ies) exists, the balance if any, will be paid to your estate.

The last section on the Certificate of Benefits, "Income Tax Information," explains how your benefit will be taxed.

Yearly Benefit Statement

You will receive a Yearly Benefit Statement from IMRF every year in late November. These statements include information such as:

- The amount of your annual 3% increase
- Information about your 1099-R Tax Form
- The estimated amount of your next year's 13th payment (if you are eligible).

Employer death benefit

A \$3,000 employer funded death benefit usually is payable upon the death of a retired member.

This benefit is paid to the member's designated beneficiary. If no valid Designation of Beneficiary form is on file with IMRF, this \$3,000 lump sum death benefit is paid to the member's estate.

If you are the beneficiary of the death benefit, you will receive the \$3,000 as a separate payment. Please refer to page 18 for important tax information regarding this payment.

Unpaid retirement benefits

You also may receive a separate payment if any retirement benefits owed to the retired member were not paid prior to his or her death.

If you should find any uncashed retirement checks that were issued to the member after the date of death, please return them to IMRF.

Federal Tax Information

Withholding on Lump-Sum Distributions

Federal tax law makes special provisions for lump-sum distributions. Under the Internal Revenue Code, a spouse receiving a lump-sum distribution has the right to roll over the taxable portion of the payment directly to an IRA or another qualified pension plan. If he or she does not directly roll over the payment, then IMRF must withhold 20 percent of the taxable portion of distributions. A “direct roll over” is a payment by IMRF to the IRA or other qualified pension plan.

The 20 percent withholding rate is fixed by law. Individuals may apply the 20 percent to their tax liability for that year. The actual amount owed may be larger or smaller and will vary for individuals.

How to report your survivor’s pension for federal income taxes
(You may wish to refer to the definitions provided on pages 1 and 2 before reading this section)

If the retired member had no “previously taxed contributions” (i.e., all of his or her contributions were “tax-deferred contributions”), his or her pension was fully taxable beginning with the first check and your survivor’s pension will be fully taxable.

For members who had previously taxed contributions, the following pages explain how IMRF pensions are taxed by the federal government. The tax treatment varies by date. Please refer to the table below and find the date when the retired member’s pension became effective—not the date the first payment was issued—then turn to the appropriate page.

If the retired IMRF member’s pension was effective...	Turn to page...
• From January 1, 1987 through November 18, 1996	9
• After November 18, 1996	12

If the retired member's IMRF pension was effective...

■ From January 1, 1987 through November 18, 1996

During this period, the retired member could report the taxable portion of their pension payments using either the "General Rule" or the "Simplified Method."

If the member's retirement was calculated:

- Before March 13, 1995, **IMRF records** are kept using the General Rule (see the General Rule explanation on page 16.)
- After March 12, 1995, **IMRF records** are kept using the Simplified Method (see the Simplified Method explanation on page 13.)

Under both methods, the member's previously taxed contributions were used to calculate an amount or a percentage of each monthly payment that is not taxable. The non-taxable portion continues until all of the previously taxed contributions have been recovered.

For the method shown on the Surviving Spouse Certificate of Benefits, **IMRF will notify you when our records show that all of the previously taxed contributions have been recovered.** If the member changed methods for tax reporting, you must keep track of how much has been recovered and determine when the recovery is complete.

(more...)

■ **From January 1, 1987 through November 18, 1996 (continued)**

The Internal Revenue Service Form 1099-R that you receive from IMRF in January of each year will show the taxable amount of your pension using the rule (General Rule or Simplified Method) that appears on your IMRF Surviving Spouse Certificate of Benefits.

If the retired member did not change tax methods, you can use the taxable amount from the 1099-R. If the member elected to change reporting methods, you should follow the method he or she used and continue to track to recovery (return to you) of the member's previously taxed contributions.

Changing methods

The IRS allows you to change from the Simplified Method to the General Rule, or vice versa, provided you amend the federal tax return for all years in which the retired member received an IMRF pension check.

The IRS allows three years to amend a tax return. For example, a tax return due April 15, 1997, may be amended until April 2000; a tax return due April 15, 1998, may be amended until April 15, 2001, etc.

If the tax return for the year in which the retired member received his or her first pension check cannot be amended, you must use the same method that the retired member had been using to report his or her pension.

Differences between the General Rule and the Simplified Method

Although both methods determine the tax-free amount of each pension, the dollar amount calculated by using the Simplified Method remains the same each year that it is applied.

(more...)

■ **From January 1, 1987 through November 18, 1996 (continued)**

If you use the General Rule to calculate the tax-free amount of your survivor's pension, that amount starts lower but will increase as your pension increases.

Although the total amount to be excluded is the same for both methods, the yearly taxable amount will differ. Please compare your results.

The Simplified Method may provide some individuals with a more favorable tax result, for others it will not.

If you are in a position to choose between the two methods, you should calculate the recovery of the previously taxed contributions using both methods and compare the results to determine which method is better for you.

For more tax information on your IMRF survivor's pension, please turn to page 17.

If the retired member's IMRF pension was effective...

■ After November 18, 1996

The IRS Form 1099-R that you receive from IMRF in January of each year will show the correct taxable amount using the appropriate method.

The taxable amount of the IMRF pension is calculated using the "Simplified Method" for members who are under age 75 as of the effective date of their retirement. (See the Simplified Method explanation on page 13.)

For more tax information on your IMRF survivor's pension, please turn to page 17.

Simplified Method

Under the Simplified Method, an “exclusion amount” is calculated. This exclusion amount represents that portion of each payment that is *not* subject to federal income tax.

The amount excluded from the retired member’s pension and from your survivor’s pension remains unchanged. The exclusion continues until all of the previously taxed contributions have been used (returned).

When the sum of all the excluded amounts equal the retired member’s previously taxed contributions, your survivor’s pension will become fully taxable.

The exclusion amount is calculated by dividing the member’s previously taxed contributions by the “recovery period.”

①	Amount of previously taxed contributions from your Certificate of Benefits		③	Dollar amount of monthly pension not subject to federal income tax
	—————	DIVIDED BY	—————	EQUALS
②	Recovery Period (number of monthly payments) from the appropriate IRS table on next pages			

For example:

1. Previously taxed contributions	\$60,000
2. Recovery Period	210
3. Amount of monthly pension not subject to federal income tax	\$285.71
(\$60,000 divided by 210)	

(more...)

The recovery period is based on:

- 1) The member's pension effective date and
- 2) The member's age or the combined member and spouse ages at the member's pension effective date

If the retired member's IMRF pension was effective before November 18, 1996

Member Age at Pension Effective Date	Recovery Period Number of Months
55 and under	300
56 - 60	260
61 - 65	210
66 - 70	170
71 and over	120

If the retired member's IMRF pension was effective between November 18, 1996 and December 31, 1997

Member Age at Pension Effective Date	Recovery Period Number of Months
55 and under	360
56 - 60	310
61 - 65	260
66 - 70	210
71 and over	160

(continued...)

If the retired member's IMRF pension was effective after December 31, 1997

The combined age of you and the member at the <i>Member's</i> Pension Effective Date	Recovery Period Number of Months
110 and under	360
111 - 120	310
121 - 130	260
131 - 140	210
141 and greater	160

General Rule

Under the General Rule, an exclusion percentage was calculated. This exclusion percentage represents that portion of each regular monthly payment that is not subject to federal income tax.

When the sum of the excluded amounts equals the retired member's previously taxed contributions, the exclusion percentage is removed. The pension then becomes fully taxable.

Additional Federal Income Tax Information

Annual Tax Statement – Form 1099-R

Every January IMRF will provide you with a 1099-R tax statement showing the gross amount of benefits you received the previous year. This form also will indicate the taxable portion of your survivor's pension as well as any federal income tax that may have been withheld from your payments. The information on this form should be used for filing your federal and state income tax returns.

IMRF will use method shown on Certificate

IMRF will report the taxable amount of your pension on your 1099-R using the method indicated on your Certificate of Benefits.

Filing federal taxes

You must use Internal Revenue Service Form 1040 or Form 1040A, "U.S. Individual Income Tax Return," when you file your annual federal tax return. You cannot use Form 1040EZ.

In order to properly report your IMRF survivor's pension, report the total amount received on the line designated for pensions and annuities. The pension line of the tax forms have two boxes. "Box a" is for the gross amount of the pension received, and "Box b" is for the taxable portion of your pension payments.

For more information

A complete explanation of the Simplified Method can be found in IRS Publication 575. An explanation of the General Rule (Nonsimplified method) can be found in IRS Publication 939. For a list of IRS publications which explain how to figure the taxable amount of an IMRF pension, see page 37.

IMRF is not in a position to offer tax assistance; if you have specific questions about the Simplified Method or general questions about the taxability of your pension, please contact the Internal Revenue Service or your tax consultant.

Employer death benefit

The \$3,000 employer funded death benefit (see page 6) is taxable and will be reported as such on IRS tax form 1099-R.

How to report the employer funded death benefit

- The employer funded death benefit is reported as income on your Form 1040 or Form 1040A (U.S. Individual Tax Return).
- The employer funded death benefit, along with any other pension income, would be reported as “Total pensions and annuities.”

Further instructions for reporting employer death benefits are provided with your Form 1040 or Form 1040A.

State income tax information

Illinois state tax

Your survivor's pension is not subject to Illinois state income tax. If your state of residence is other than Illinois, you should check with that state's department of revenue to find out if your pension is subject to state tax and how your pension income must be reported on your state income tax return.

Filing Illinois state income tax returns

Because your IMRF pension is not subject to Illinois state income tax, you should enter the federally taxed portion of your pension (from your Form 1099-R) as a subtraction on Form IL-1040, "Illinois Individual Income Tax Return." This line is designated as "income received from Social Security benefits and certain retirement plans..." To take this subtraction you cannot use IL-1040-EZ.

In order to show that your IMRF pension is subtractable, you must include a copy of page one of your U.S. 1040 or 1040A form with your Illinois state income tax return. If you fail to attach a copy of the U.S. 1040 or 1040A, your entry will not be allowed.

Please note: Even though you may have no other taxable income, the Illinois Department of Revenue requires that you file a return if you are an Illinois resident.

Form W-4P: Withholding Certificate for pension payments

Because pension payments are immediately taxable, you are required by the Internal Revenue Service to submit a completed Form W-4P to IMRF.

Amount of withholding

IMRF is not in a position to offer tax assistance and therefore, cannot determine the amount of withholding that is right for a particular individual. If you are not sure how much money should be withheld from your pension payments in order to meet your federal tax obligation, you should talk with your tax consultant.

Withholding without Form W-4P

If you do not return Form W-4P to IMRF and your pension during 2012 exceeds \$1,625 a month, IMRF is required by law to withhold an amount based upon the IRS tax tables.

The amount withheld will be based on a married individual claiming three withholding allowances. If your monthly pension payments during 2012 are \$1,625 or less and you have no withholding request on file, no federal tax will be withheld. The dollar amount (\$1,625) will be adjusted each year by the IRS.

Because Illinois does not tax pension payments, IMRF does not withhold for Illinois income tax. IMRF will not honor any request to withhold for states outside of Illinois.

For your convenience, you can complete Form W4-P online through your secure Member Access account at www.imrf.org/myimrf (see next page). You can also request a copy by calling 1-800-ASK-IMRF.

Your withholding can be changed at any time simply by completing a new Form W-4P. Generally, if we receive your revised Form W-4P before we process your next payment, the change will be effective for that payment.

Form W-4P available online in Member Access

You can fill out Form W4-P at your convenience through your secure Member Access account (www.imrf.org/myimrf).

The screenshot shows the 'Member Access' website for the Illinois Municipal Retirement Fund. The page is titled 'Withholding Certificate for Monthly Annuity Payment: Step 2 of 4'. It features a navigation bar with tabs for Home, Account, Benefits, Tools, Documents, and Profile. The main content area contains three options for withholding tax:

- Option 1:** I elect not to have income tax withheld from my pension or annuity.
- Option 2:** Please withhold according to IRS withholding tables.
NOTE: The 2011 tax tables show that the annuity amount must be greater than \$483 for single with one exemption, or \$1,275 for married with two exemptions.
Marital Status:
 Married Single Married, but withhold at higher single rate
Number of personal exemptions:
- Option 3:** Instead of the IRS withholding tables, please withhold \$ or % from each monthly payment.

At the bottom of the form are 'Continue' and 'Back' buttons. On the right side, there is a sidebar with a 'Find a Workshop' button and sections for 'VIEW' (Benefits, Payment History, Benefit Statements), 'ACT' (Change Beneficiaries, Change Address, Change Password, Change Tax Withholding), and 'NEWS' (Retiree Newsletter, IMRF News, Press Releases). Social media icons for Facebook and Twitter are also present.

The electronic version of Form W4-P will guide you through each step, quickly and easily!

The screenshot shows the 'Member Access' website for the Illinois Municipal Retirement Fund. The page is titled 'Secure Online Forms'. It features a navigation bar with tabs for Home, Account, Benefits, Tools, Documents, and Profile. The main content area contains a section titled 'Secure Online Forms help you manage your IMRF account.' with a sub-header: 'You can complete common tasks like applying for a refund, updating your address information, or changing your tax withholding instructions.'

Below this, there are two links:

- Tax Withholding:** [Change Tax Withholding Instructions](#)
- Address:** [Change Name, Mailing Address, or Telephone](#)

On the right side, there is a sidebar with a 'Find a Workshop' button and sections for 'VIEW' (Benefits, Payment History, Benefit Statements), 'ACT' (Change Beneficiaries, Change Address, Change Password, Change Tax Withholding), and 'NEWS' (Retiree Newsletter, IMRF News, Press Releases). Social media icons for Facebook and Twitter are also present.

You can access your electronic Form W4-P from the "Tools" tab or from the quick link on the right of the screen.

Pension increases

Your pension will be increased by 3 percent of the original amount on January 1 of each year.

Example: A pension of \$400 per month with an effective date of May 1, 2010.

The increase of January 1, 2011, and each January 1 thereafter will be: \$12

$$\$400 \times 3\% = \$12 \text{ (3\% of the original amount)}$$

Supplemental pension payment ("13th Payment")

After the first full year of retirement, you will receive a supplemental payment each July in addition to your regular pension payment. The additional pension payment is known as the "13th benefit payment" or a "supplemental benefit payment." This payment will not be the same amount as your usual benefit payment, but will be a percentage of your usual payment amount that will vary from year to year.

In order to be eligible for the additional pension payment in July 2012, the IMRF member must have had an effective date of retirement on or before July 1, 2011. In order to be eligible for the additional pension payment in July 2013, the IMRF member must have had an effective date of retirement on or before July 1, 2012.

IMRF ECO Survivor Benefits — Surviving Spouse Pension with Child's Pension

When a retired ECO member dies, IMRF pays a pension to the member's spouse if:

1. The member and spouse had been married or in a civil union on the member's last day of ECO participation

and

2. They had been married or in a civil union for at least one year prior to the member's date of death.

If a retired ECO member's spouse is eligible for an ECO surviving spouse pension, the spouse may choose benefits payable under the ECO plan or under the Regular IMRF plan. If the deceased member has minor children, you will receive an ECO Surviving Spouse with Child's Pension.

Under the ECO Surviving Spouse with Child's Pension formula, you will receive a monthly pension based on 30 percent of your spouse's final ECO salary, plus an additional 10 percent for each minor child. The combined benefit cannot exceed 75 percent of the pension your spouse had been receiving nor 50% of the member's last reported salary. (This option will provide a monthly pension to equal two-thirds of the pension your spouse had been receiving if that calculation provides a larger benefit amount).

When a child turns 18 or marries

When a child reaches age 18 or marries, the monthly benefit amount is recalculated (reduced).

When no minor children remain

When no minor children remain, benefit payments under the ECO Spouse Pension with Child's Annuity "formula" will stop and you will begin receiving benefits under the ECO Surviving Spouse Pension formula. (If at that time you are less than age 50, benefit payments will stop and will resume when you reach age 50.)

Under the ECO Surviving Spouse Pension formula, you will receive two-thirds of the pension your spouse had been receiving. If you are more than five years younger than your spouse, the monthly payments will be less than two-thirds to reflect the difference in ages. However, the total lifetime benefit paid is intended to be equal.

If you remarry or enter into a new civil union

You should notify IMRF promptly if you remarry or enter into a new civil union. Even though there will be no change in your pension, we need to know if there has been a name or address change.

ECO Child's Pension When the Spouse is Not Eligible

If you are not eligible for a surviving spouse pension or if you die, the child's pension remains payable to the ECO member's minor (under age 18) unmarried children.

Each eligible child will receive a monthly pension equal to 20% of the pension the ECO member had been receiving. Please note: the maximum total monthly benefit payable to all children cannot exceed 75% of the member's ECO salary last reported to IMRF. If the maximum amount is reached, all minor children will equally share that amount.

A child's pension is discontinued at the earlier of:

- Age 18
- Marriage

Adopted children are treated the same as natural children if proceedings for adoption commenced one year before date of death. However, stepchildren (that are not adopted) are not eligible for an ECO child's pension.

IMRF Death Benefits

A portion of a member's monthly pension (and in some cases, a survivor's pension) is a return of the member's own contributions. If upon your death any remaining member contributions and interest have not been paid as retirement or survivor's pension payments and a child's pension is not payable:

- IMRF will pay any remaining member contributions and interest to the primary beneficiary(ies) designated by the deceased retired member and on file with IMRF.
- If no first named beneficiary survives, IMRF will pay any remaining member contributions and interest to the secondary beneficiary(ies) designated by the deceased retired member and on file with IMRF.
- If a benefit is payable upon your death and no primary beneficiary or secondary beneficiary survives, any remaining member contributions and interest will be paid to your estate.

If the total pension payments (retirement and survivor) have exceeded member contributions and interest, no benefit will be payable upon your death.

Address Changes

You can change your address online through your secure Member Access account. If you do not already have a secure Member Access account, you can sign up for one by visiting www.imrf.org/myimrf.

(For more information about an IMRF secure Member Access account, please see page 4 of this booklet.)

IMRF Form 6.20R, “Retiree Information Change,” can also be requested from one of our service representatives at 1-800-ASK-IMRF (1-800-275-4673).

If an address change form is not available, any written notice will be acceptable. Please include the last four digits of your Social Security number on any written correspondence you send to IMRF.

(Please remember to let us know if any other information changes, such as your phone number.)

Signature required

We require your personal signature in order to change mailing addresses if you submit your change of address in writing. This is done for your protection. However, IMRF can accept the signature of a person legally appointed, such as a conservator, guardian or trustee, only after receipt of a copy of their appointment. (Please see pages 29 and 30 for more information.)

An address change also can be signed by your representative payee provided an up-to-date form is on file.

Direct Deposit of your pension payment

You receive your benefit payment by Direct Deposit. IMRF has implemented a mandatory Direct Deposit program for all pension payments. We believe Direct Deposit is the most efficient payment method available. With Direct Deposit, your pension payment is:

- Secure—it cannot become lost, stolen, or delayed in the mail
- Reliable—it is deposited into your account on time, every month
- Convenient—you do not need to make special arrangements if you are away from home

Please return your completed IMRF Form 1199, “Application for Direct Deposit” to IMRF or your pension will be suspended.

After three paper check payments, future payments will be suspended until you enroll in Direct Deposit. IMRF will consider special circumstances in unique cases where an inability to use Direct Deposit is proven; however, being strongly opposed to Direct Deposit is not considered a valid reason for exemption. If you believe you qualify for an exemption, you must call an IMRF Member Services Representative.

Questions?

For additional information you can visit IMRF’s website at www.imrf.org or contact a Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673) Monday through Friday, 7:30 a.m. to 5:30 p.m.

For more important information on IMRF’s Direct Deposit program, see page 30.



Application for Direct Deposit

IMRF Form 1199 (Rev. 05/07)

This form should be completed by the Benefit Recipient (IMRF member or person receiving the IMRF benefit payment)

Name		Social Security Number	
_____		____-____-____	
Address (Number, Street)		City	State
_____		_____	_____
Is this a new address?		Telephone Number	
<input type="checkbox"/> Yes <input type="checkbox"/> No		_____	
Account Information – Important: The name of the person who will receive the IMRF benefit payments must be on this account. Please provide the information requested below. If you are unsure of any of the requested information, contact the financial institution where you have your account. (See the back of this form for more information.)			
Name of Financial Institution		Branch Telephone Number	
_____		_____	
Branch Address (Number, Street)		City	State
_____		_____	_____
Account Number			

Financial Institution Routing Number		Type of Account	
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		<input type="checkbox"/> Checking <input type="checkbox"/> Savings	

I authorize and request the Illinois Municipal Retirement Fund to direct IMRF recurring payments for crediting to my account at the financial organization designated above. This authorization is not an assignment of my right to receive payment and revokes all prior payment direction notifications applicable to these payments. I understand that the financial organization designated reserves the right to cancel this agreement by notice to me; however, this authorization will remain in effect with IMRF until cancelled by notice from me or by my death. Further, I understand and agree that **IMRF will stop direct deposit if I fail to keep IMRF informed of my current address.** I also permit the release by the bank or financial institution of my current address to IMRF. I understand that a new form 1199 is required if I change my financial institution, my account number **or** my name.

X

Signature of Benefit Recipient, Power of Attorney*, or Guardian*

Date

Fax your completed form to IMRF at 630-368-5398 or mail it to:

Illinois Municipal Retirement Fund, 2211 York Road Suite 500, Oak Brook IL 60523-2337

Direct Deposit statement

When benefit payments are *electronically* deposited into your financial institution, you will receive a statement for your first Direct Deposit transaction. After this initial statement, you will receive a Direct Deposit statement:

- In January to show your annual increase
- In July for the 13th payment (if you are eligible)
- In December to show your total yearly payments and taxes withheld (you will still receive a separate 1099 form)
- Whenever your payment amount changes

This statement will provide you with a breakdown of the current month's payment as well as year-to-date figures.

If your check is *mailed* to your financial institution, you will not receive a direct deposit statement. However, you can ask your bank to mail you your check stub.

Changes

If you are simply changing account numbers (but staying with the same financial institution), you can call 1-800-275-4673 and provide that change over the telephone. A new Form 1199 is required if you change financial institutions. If you have a name or address change, you can submit these changes online through your secure IMRF Member Access account, or you can send IMRF a written notice with your signature and the last four digits of your social security number. Please note we cannot accept name or address changes over the telephone.

Remember to promptly advise IMRF in writing of any change in your home address. Although your payments will be deposited directly, IMRF will continue to mail income tax statements and other correspondence to your home. **If you do not inform IMRF of address changes, your pension will be suspended.**

Representative Payees

If you are unable to handle your business affairs because of health problems, a relative or friend can be named as your representative payee.

Appointing an individual as your representative

To appoint someone as your representative payee, that individual and your physician would complete IMRF Form 5.60, “Application to Serve as Representative Payee for Annuitant.” Future payments would be made payable to your representative on your behalf.

Appointing a nursing home administrator as your representative

We have a similar procedure for checks being made payable to an official of a nursing home for your care. The administrator of the facility would submit IMRF Form 5.63, “Application to Serve as Representative Payee for Annuitant by Nursing Home or Hospital”; future checks would be made payable to the official of the nursing home on your behalf.

Notice of renewal

Representative payees, including nursing homes, are required to renew on an annual basis; a physician’s statement may be required every third year. IMRF will send a letter and the appropriate forms to your representative payee approximately two months before the appointment expires.

Conservator, Guardian, or Trustee

Payments also can be made payable to a conservator, guardian, or trustee upon receipt of a copy of his or her appointment.

Power of Attorney

IMRF will accept agency designation under a power of attorney **for property** if it conforms with the requirements of the Illinois Power of Attorney Act. A copy of the entire designation must be submitted for our review. If the original designation is more than a year old, we will send the agent an affidavit that he or she must complete, sign, have notarized, and then return to our office in order for the power of attorney to be accepted.

We will accept a power of attorney for property; a health care power of attorney is **not** acceptable.

Social Security and Private Pensions

Will my IMRF benefits reduce my Social Security benefits?

Usually not. However, the answer depends on which benefits you are asking about.

Your IMRF **survivor's** benefits will not reduce:

- any Social Security **spouse** benefit you may receive.
- any Social Security **survivor's** benefit you may receive.
- any Social Security **retirement** benefit you may receive based on your own past earnings.
- any other IMRF benefit you are entitled to, such as your own IMRF retirement pension.

If you are entitled to your own IMRF retirement pension, generally that pension will not reduce any Social Security benefit you may be entitled to, assuming you contributed to both IMRF and Social Security.

I receive a private pension from a company I retired from several years ago. Will that private pension affect any of my IMRF or Social Security benefits?

The private pension will not affect any IMRF benefits you may receive. Whether it will affect any Social Security benefits depends on whether or not you contributed to Social Security while you were working.

A private pension from a job **not covered** by Social Security may result in lower social security benefits.

A private pension from a job covered by Social Security should not reduce any Social Security retirement or survivor's benefit you are entitled to receive.

I receive a government pension from a position I retired from several years ago. Will that government pension affect any of my IMRF or Social Security benefits?

A government pension will not affect any IMRF benefits you may receive. Whether it will affect any Social Security benefits depends on whether or not you contributed to Social Security while you were working in the government position. A government pension from a job not covered by Social Security may result in lower Social Security benefits. A government pension from a job covered by Social Security should not reduce any Social Security benefits you are entitled to receive.

How do I find out how much my Social Security benefits will be?

To find out how much your Social Security benefits will be, or to apply for such benefits, you should contact your nearest Social Security office or representative.

It is your responsibility to ensure that you are paid the full Social Security benefit you are entitled to receive.

When talking with your Social Security representative, please be sure to write down his or her name in case an IMRF Member Service Representative has to contact the Social Security office to clarify the matter.

Also, you need to follow up after you receive your first check for a Social Security retirement, spouse or survivor's benefit. At that time, call your local office and ask how the amount was calculated. It is important to get the name of each Social Security representative you speak with so that Social Security personnel can learn about IMRF and correct any errors they may make in advising you and calculating your benefits.

General Information

The main IMRF office is located in Oak Brook:

Illinois Municipal Retirement Fund
2211 York Road
Suite 500
Oak Brook, Illinois 60523-2337
Member Services Representatives: 1 (800) ASK-IMRF
(1-800-275-4673)

Member Services Representatives are available Monday through Friday,
7:30 am. to 5:30 p.m. Central Time.

Regional Counseling Center

Illinois Municipal Retirement Fund (IMRF) members who live in the Sangamon County area can also visit IMRF's Regional Counseling Center in Springfield. The office is located at:

3000 Professional Drive, Suite 101
Springfield, Illinois 62703.

Information about IMRF and your benefits can also be found on the Internet at **www.imrf.org**

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IRS PUBLICATIONS

Additional information can be obtained from the following publications. To receive any of these publications, you can contact the Internal Revenue Service at 1-800-829-3676.

- 17 Your Federal Income Tax
- 501 Exemptions, Standard Deduction, and Filing Information
- 502 Medical and Dental Expenses
- 505 Tax Withholding and Estimated Tax
- 524 Credit for the Elderly or for the Disabled
- 525 Taxable and Nontaxable Income
- 552 Recordkeeping for Individuals
- 554 Tax Information for Older Americans
- 559 Tax Information for Survivors, Executors and Administrators
- 575 Pension and Annuity Income (Including Simplified Method)
- 939 Pension General Rule (Nonsimplified Method)

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A

Address Changes,27
Annuitant,1

B

Beneficiary,1
Beneficiary packet,3

C

Certificate of Benefits,5
Child's pension,25
Conservator, Guardian, or
Trustee,32

D

Death Benefit,1
 Employer Funded,1, 6
 IMRF Death Benefits,26
Direct Deposit,28
 Changes,30
 Monthly statement,30

E

Effective Date of Retirement,1
Exclusion,1

F

Federal Tax Information,7
 Annual Tax Statement,17
 Employer death benefit,18
 Filing federal taxes,17

For more information,18
Form W-4P,20
General Rule,16
Publications,37
Simplified Method,13

G

General Rule,16

I

IMRF,35
 General Information,35
 Regional Counseling Center,35
 Service Representatives,35
IRS PUBLICATIONS,37

M

Member Service Representative,i

P

Pension payment,3
 Direct Deposit of,3
 Pension increases,22
 Supplemental pension
 payment,22
 Your first payment,3
Power of Attorney,32
Previously taxed contributions,2

R

Representative Payees,31

S

Simplified Method,13

Social Security,33

State income tax information,19

Supplemental benefit payment,22

Survivor Benefits,23

 ECO Child's Pension,25

 If you remarry,24

 Surviving Spouse Pension with Child's Pension,23

T

Tax deferred contributions,2

U

Unpaid retirement benefits,6