



Election For Deductions for Health or Long-Term Care Insurance Premiums Paid Directly to Insurer

IMRF Form 7.12D (Rev. 11/2013)

PLEASE PRINT; USE BLACK INK.

INSTRUCTIONS

- The Pension Protection Act of 2006 allows retired or permanently disabled public safety employees (see back) to deduct up to \$3,000 from their taxable income for health or long-term care insurance premiums paid from their IMRF pension directly to the insurance company or employer.
- You may instruct IMRF to pay insurance premiums from your pension directly to the insurer.
- Please submit this form **no later than** the 10th of the month prior to the month deductions are to begin, e.g., submit the form no later than March 10th for deductions to begin with the April payment.

SECTION 1 - MEMBER INFORMATION

MEMBER'S LAST NAME	FIRST NAME	MIDDLE INITIAL	JR, SR, II, ETC.	IMRF MEMBER ID OR LAST FOUR DIGITS OF SSN
HOME STREET (MAILING) ADDRESS				CITY STATE AND ZIP + 4
POSITION TITLE ON LAST DATE OF IMRF PARTICIPATION				DAYTIME TELEPHONE NUMBER (w/Area Code) ()

SECTION 2 - MEMBER CERTIFICATION AND AUTHORIZATION

I certify I was an eligible Public Safety Officer when I terminated from IMRF participation at full retirement age or when I became disabled. I elect to have amounts deducted from my IMRF benefit payments to pay for qualified insurance premiums, as provided under the Pension Protection Act of 2006.

The maximum amount I can claim on my tax return is \$3,000.

I certify the deductions I am requesting are for qualified insurance premiums. Please provide the following:

INSURANCE COMPANY/CARRIER

ACCOUNT NUMBER

MAILING ADDRESS CITY STATE ZIP

MONTHLY PREMIUM
\$

I authorize IMRF to release information to the health care program to ensure proper handling of insurance premiums. **I further understand IMRF will not deduct more than one monthly premium from a benefit payment (IMRF will not make-up back premiums), and that IMRF will cease making any deduction if the monthly premium amount exceeds my monthly IMRF benefit amount.**

I certify that I qualify for the benefit of payment of qualified insurance premiums and agree that IMRF is not responsible for any additional tax liability, interest or penalties that may arise because I requested this benefit.

I understand it is my responsibility to notify IMRF of any changes in premium amount or insurance carrier, and I agree that IMRF is not responsible for lapsed insurance coverage or any other coverage or benefit issues that arise because of payment of premiums through this deduction program.

In consideration of participation in this program, which I recognize is a valuable benefit, I waive any claims of any kind against IMRF arising from my participation and I hereby indemnify and release IMRF from any liability arising from the administration of the payment of my qualified insurance premiums.

This authorization is not an assignment of my right to receive payment. This authorization will remain in effect with IMRF until cancelled by written notice from me.

X

SIGNATURE

DATE (MM/DD/YYYY)

FOR IMRF
USE ONLY

DATE ENTERED

DATE EFFECTIVE

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) Fax: (630) 706-4289

Distributions from Eligible Plans for Public Safety Retiree Health and Long-Term Care Insurance Premiums

Effective January 1, 2007, the Pension Protection Act of 2006 (PPA) allows retired or disabled public safety employees to take a tax reduction of up to \$3,000 on their federal income tax return for health insurance or long-term care insurance premiums. The health insurance or long-term care insurance coverage can include the member, spouse and dependents.

You must be terminated from your IMRF employer because you were disabled or because you reached full (normal) retirement age (60 for Regular plan members or 55 with 35 years of service credit, 55 for ECO plan members and 50 for SLEP and SLEP-ECO plan members). The insurance premiums must be paid directly from your pension.

Taking the \$3,000 deduction on your federal income tax returns

Your 1099-R tax statement will show your full pension payments before the deduction for insurance premiums. You take the deduction by reducing the taxable amount of your pension by the amount you paid for insurance premiums when completing Form 1040 or Form 1040A, "U.S. Individual Income Tax Return."

What is the definition of a public safety employee?

The PPA uses the definition in Section 1204(9)(A) of the *Omnibus Crime Control and Safe Streets Act of 1968* (42 U.S.C. 3796b(9)(A)). That definition includes the following individuals serving a public agency in an official capacity:

- An individual involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws (including juvenile delinquency), including, but not limited to police, corrections, probation, parole, and judicial officers
- Professional firefighters
- Officially recognized or designated:
 - Public employee members of a rescue squad or ambulance crew
 - Members of a legally organized volunteer fire department
 - Chaplains of volunteer fire departments, fire departments, and police departments

The amount deducted will be paid directly to your insurer

Reimbursements are not covered. For you to take advantage of this deduction, IMRF must pay the premium to the insurance provider directly.

What if your insurance premium amounts change?

You are required to inform IMRF of any change in the amount of your premiums. We must have notice of any change by the 10th of the month prior to the month the amount is to change. You must pay your insurance provider directly for any premiums due in addition to the amount deducted from your pension.

What if your insurance premiums exceed \$3,000 annually?

IMRF will deduct the premiums instructed from each pension payment. You may only reduce your taxable income by the amount actually paid in premiums, up to a maximum of \$3,000.

Is the deduction is available to an IMRF member's spouse?

No, the deduction is available only on the election of the member. No other individual is eligible to make the election. This deduction not available to surviving spouses.

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