

# Application

## Unclassified Retirement Plan Benefit



## Congratulations on your upcoming retirement

We realize that retiring is a significant life event and want to make the process to apply for your MSRS retirement benefit as easy as possible.

Forms you need to complete and documents to provide:

- Application for Retirement Benefit (required)**  
**The application must be signed in the presence of a notary.**  
If you are married, your spouse must also sign the application in the presence of a notary to acknowledge your benefit election.
- Direct Deposit Agreement (optional, but recommended)**  
Complete this form to have monthly payments deposited into your bank account. Generally, MSRS sends your payment to your financial institution the first business day of each month. If payment is made by check, assume an additional five days for mailing.
- Birth Records (required)**  
Payment cannot begin until you provide a copy of your birth record. In addition, if you select a survivor option, you must provide a copy of your survivor's birth record.
- Copy of Marriage Certificate (if applicable)**
- Certified Copy of Divorce Decree(s) or Domestic Relations Order(DRO) (if applicable)**  
If you are currently divorced or have ever been divorced, you must provide these documents, even if the MSRS retirement benefit will not be divided between the parties.

### For more information

- Refer to the **Your Guide to Retirement** brochure;
- See the **Guide to Apply for a Monthly Benefit** on pages 6 & 7;
- Call MSRS at 651.296.2761 or 1.800.657.5757; or
- Visit our website at [www.msrs.state.mn.us](http://www.msrs.state.mn.us)

### *Timeline to receive payment*

You will receive your first benefit payment **approximately 6 weeks** after the retirement benefit start date indicated in Section 2 of this application. This assumes your application is in good order; you have provided MSRS with the required documents; and your employer has remitted all contributions to your retirement plan. Failure to meet any of these requirements could delay your benefit payment. MSRS will notify you if additional items are needed.

### Things to know

- ▶ You must end all State of Minnesota employment before receiving an MSRS retirement benefit.
- ▶ The completed application and required documents must be mailed to MSRS (we cannot accept a fax or email)
- ▶ MSRS is unable to accept your application more than 60 days prior to the retirement benefit start date you indicate in Section 2 of this application.





### 3. Retirement benefit option

Your retirement benefit is for your lifetime regardless of the option you select. If you choose joint-and-survivor coverage or the life income option, you will receive a lower monthly benefit to provide this additional coverage. MSRS will send you a benefit authorization letter confirming the monthly benefit amount about the time you receive the first payment. You may change your benefit option up to 30 days after the date of the authorization letter. After that, you may not change your survivor option election.

See page 7 for a comparison of retirement benefit options.

#### Choose one option

<input type="checkbox"/>	Single-Life Benefit	This benefit is for your life only and ends upon your death. Proceed to Section 5.
<input type="checkbox"/>	100% Joint-and-Survivor Benefit	Upon your death, your survivor will receive a monthly benefit for their lifetime equal to your benefit amount.
<input type="checkbox"/>	75% Joint-and-Survivor Benefit	Upon your death, your survivor will receive 75% of your monthly benefit for their lifetime.
<input type="checkbox"/>	50% Joint-and-Survivor Benefit	Upon your death, your survivor will receive one-half of your monthly benefit for their lifetime. If you are married, Minnesota law requires that you provide at least a 50% option for your spouse unless they waive survivor coverage.
<input type="checkbox"/>	Life Income, 15-Year Certain	If you die before collecting a monthly benefit for 15 years, your survivor will continue to receive the benefit for the balance of the 15 years. If you die after collecting a benefit for 15 years, your survivor will not receive a benefit.



*Your survivor's age may limit the survivor options available to you. Contact MSRS for details.*

### 4. Survivor information

Complete this section if you selected a Joint-and-Survivor Benefit or Life Income, 15-Year Period Certain option in Section 3.

**DO NOT COMPLETE THIS SECTION IF YOU SELECTED A SINGLE-LIFE BENEFIT.**

Survivor's Name	Social Security Number	Relationship to you




*You must provide a photocopy of your survivor's birth record if you selected a Joint-and-Survivor Benefit.*

## 5. Federal income tax withholding

If you do not choose one of the options below, MSRS is required by law to withhold federal taxes from your monthly pension benefit as if you are married claiming three allowances (regardless of your marital status).

MSRS staff members are unable to provide advice regarding tax withholding. You are encouraged to consult a tax advisor to determine your appropriate income tax withholding.


For more detail, go to [IRS.gov](https://www.irs.gov) for **Form W-4P Withholding Certificate for Pension or Annuity Payments**.

<input type="checkbox"/> No withholding	I elect not to have federal income tax withheld from my MSRS monthly benefit. This option does not relieve me of any tax liability.
<input type="checkbox"/> Withholding based on marital status and number of allowances (IRS tax tables)	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;">  </div> <div> <p>You must complete <b>both</b> lines 1 and 2; line 3 is optional.</p> <p>1. Marital Status:   <input type="checkbox"/> Single   <input type="checkbox"/> Married   <input type="checkbox"/> Married but withhold at higher single rate</p> <p>2. Number of allowances: _____ (0 - 10)</p> <p>3. Additional amount to withhold from monthly payments: \$ _____</p> </div> </div>

## 6. Minnesota income tax withholding

MSRS is only able to withhold Minnesota state taxes. If this section is not completed, no state taxes will be withheld from your monthly pension benefit.

MSRS staff members are unable to provide advice regarding tax withholding. You are encouraged to consult a tax advisor to determine your appropriate income tax withholding.

<input type="checkbox"/> No withholding	I elect not to have Minnesota state taxes withheld from my MSRS monthly benefit. This option does not relieve me of any tax liability.
<input type="checkbox"/> Withholding based on marital status and number of allowances (MN tax tables)	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;">  </div> <div> <p>You must complete <b>both</b> lines 1 and 2; line 3 is optional.</p> <p>1. Marital Status:   <input type="checkbox"/> Single   <input type="checkbox"/> Married   <input type="checkbox"/> Married but withhold at higher single rate</p> <p>2. Number of allowances: _____ (0 - 10)</p> <p>3. Additional amount to withhold from monthly payments: \$ _____</p> </div> </div>

## 7. Notarized signature of applicant (and spouse if married)

Only the original application with signature and notary will be processed. A fax or email copy is not acceptable.

The date this form is signed must match the date your signature is notarized. **Note: Notary seal must be visible.**

### A. For Completion by Applicant

I have read the information on this application and understand that my selection is for a retirement benefit. I further understand that the retirement benefit option selected on this application can be changed up to 30 days after the date of the MSRS benefit authorization letter. I verify that all statements made on this application are true and complete.

- We provide Minnesota Retired State Employees Association (MRSEA) with new retiree's contact information. If you do not want us to share your information with MRSEA, please check the box. To learn more, visit [www.mrsea.org](http://www.mrsea.org)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of Applicant Date

### For Completion by Notary

Subscribed and sworn to before me this

\_\_\_\_\_ Day of \_\_\_\_\_, Year \_\_\_\_\_.

\_\_\_\_\_  
Signature of Notary

Notary Public of \_\_\_\_\_ County.

My Commission expires \_\_\_\_\_  
**Notary Seal (Required)**

**In lieu of a notary, an MSRS retirement counselor can witness your signature.**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of MSRS Representative Date

### B. For Completion by Applicant's Spouse

A married participant's application will be delayed without a notarized signature of the spouse.

I am the spouse of the applicant. I am aware that this retirement plan provides survivor benefit options available to protect me upon my spouse's death. I have read, understand, and agree to the survivor benefit option selected by my spouse on this application. If I am not the survivor named on this application, my notarized signature below acknowledges that I agree to waive survivor coverage.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of Applicant's Spouse Date

### For Completion by Notary

Subscribed and sworn to before me this

\_\_\_\_\_ Day of \_\_\_\_\_, Year \_\_\_\_\_.

\_\_\_\_\_  
Signature of Notary

Notary Public of \_\_\_\_\_ County.

My Commission expires \_\_\_\_\_  
**Notary Seal (Required)**

**In lieu of a notary, an MSRS retirement counselor can witness your signature.**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of MSRS Representative Date

When this application is received by MSRS, Your Unclassified Retirement Plan account balance will be transferred to the **Stable Value Fund**.

Mail the completed form to:



MSRS  
60 Empire Drive, Suite 300  
St. Paul, MN 55103-3000

# Guide to Apply for a Monthly Retirement Benefit

## Information About You

Enter your basic information - legal name, MSRS account ID or Social Security number, contact information, marital status, and your spouse's information.

The information you supply on this form is for internal use by Minnesota State Retirement System (MSRS). You are not legally required to provide the information, but we may not be able to pay your benefit without it.

## Your Retirement

Indicate the last day you worked for the employer who sponsored your Minnesota public retirement plan and the date you want your retirement benefit to begin. You must be terminated prior to the benefit start date. The retirement benefit start date must be after your last day on payroll.

### EXAMPLE:

Your last day worked is January 20 + 2 days of vacation pay to keep you on the payroll.

Last day on payroll = January 22

Retirement benefit start date = January 23 or after

If the retirement benefit start date field is left blank, your benefit will begin the day after your last day on payroll.

## Income Tax Withholding

Your retirement benefit is taxable income. You can choose to have federal and Minnesota state taxes withheld from your monthly pension benefit.

- If you do not provide federal tax withholding instructions, MSRS is required by law to withhold taxes as if you are married claiming three allowances (regardless of your marital status).
- If you do not elect Minnesota state tax withholding, no state taxes will be withheld.

## What else you need to know

The amount withheld is based on your MSRS retirement benefit only.

MSRS can only withhold Minnesota state taxes. If your state of residency changes, please notify MSRS to stop Minnesota state tax withholding.

The IRS may impose an underpayment penalty if your federal withholding or estimated tax payment is too low. Refer to IRS Publication 505, Tax Withholding and Estimated Tax, for additional information.

Tax withholding can be changed or stopped at any time.

For more detail, go to [IRS.gov](https://www.irs.gov) for *Form W-4P Withholding Certificate for Pension or Annuity Payments*.

## Required Signature

### Spousal notarized signature

If you are married, your spouse must agree with the retirement option you elected and the named survivor. Minnesota law requires that you provide at least the 50% Joint-and-Survivor benefit option for your spouse unless they waive survivor coverage in Section 7 of this application.

### Your notarized signature

Your signature acknowledges that you have read and agree to the terms of all elections.

The application should not be signed unless you and your spouse are in the presence of a notary.

## Minnesota Retired State Employees Association (MRSEA)

We provide MRSEA with new retiree's name and address. You can request that we not share your information. To learn more about this non-profit organization, visit [www.mrsea.org](http://www.mrsea.org).

MSRS is unable to accept your retirement application more than 60 days in advance of the retirement date you indicated on this application.

# Retirement Benefit Options

This chart is a comparison of the retirement benefit options. Please review your options carefully before completing Sections 3 and 4 of this application.

	Single-Life	100% Joint-and-Survivor	75% Joint-and-Survivor	50% Joint-and-Survivor	Life Income 15-Year Certain
Why choose this option	Provides you the highest monthly benefit compared to other options.	Provides maximum survivor coverage, but reduces your monthly payment.	Provides some survivor coverage, but reduces your monthly payment.	Provides some survivor coverage, but reduces your monthly payment.	Typically used to preserve assets for your children or other family members.
Benefit paid for your lifetime	Yes	Yes	Yes	Yes	Yes
Who can you name as a survivor	N/A	Anyone, but typically a spouse. Your monthly benefit is reduced in order to provide coverage to a survivor upon your death. The reduction is based on the age difference between you and your survivor. The younger the survivor the greater your monthly benefit is reduced.  The age of your survivor may limit you from choosing this option. Contact MSRS for details.		State law requires that you provide at least a 50% Joint-and-Survivor option for your spouse unless they waive survivor coverage.	Anyone.
What happens to benefit upon your death	Monthly payments end. Any remaining account balance is paid to your beneficiary.	Survivor will receive monthly payment equal to your payments for their lifetime.	Survivor will receive monthly payment that is 75% of your payments for their lifetime.	Survivor will receive monthly payment that is 50% of your payments for their lifetime.	If you received payments for: <ul style="list-style-type: none"> <li>• 15 years or more, payments will end.</li> <li>• Less than 15 years, your survivor will receive payments for balance of 15-year term.</li> </ul> <p>Note: If both you and your survivor die before the 15-year term, the balance is paid to your estate.</p>
What happens if named survivor predeceases you	N/A	Monthly benefit will increase (“bounce back”) to the single-life benefit amount.			Has no impact on your benefit payment. You can name another survivor.