



**STATE OF NEW JERSEY
DIVISION OF PENSIONS AND BENEFITS**

**Public Employees' Retirement System
Teachers' Pension and Annuity Fund
Police and Firemen's Retirement System
State Police Retirement System**

APPLICATION FOR WITHDRAWAL

**PO Box 295
Trenton, NJ 08625-0295**

FREQUENTLY ASKED QUESTIONS

1. Who is eligible to withdraw?

To withdraw the balance of your pension contributions in a lump sum, you must have resigned your position and no longer be employed in a covered position.

Withdrawal is not permitted by law if you are on a leave of absence granted by your employer.

An employee who is receiving periodic Workers' Compensation benefits as the result of an injury incurred in public employment is considered an active employee and an active member of the pension fund. If you are receiving Workers' Compensation benefits, or have a case pending, applying for withdrawal from the pension fund could jeopardize your rights to benefits. In such cases, the Division will require that you complete an additional retirement benefit waiver form.

If you were dismissed from your position and are in the process of appealing that dismissal, you cannot withdraw your contributions until a decision has been rendered or your appeal is withdrawn.

If you hold more than one position covered under the pension fund (multiple membership), you cannot withdraw until you have terminated all employment covered by the pension fund.

2. What is inactive membership?

When you resign your position, you may leave your contributions on deposit and continue an inactive membership in the fund for a maximum period of two years.

Should you return to active service in a position covered by the pension fund before the expiration of your membership, you may reactivate your account with the same service credit established at the time you ceased employment.

The period during which you were inactive will not count as service credit for retirement.

If your position was abolished due to a layoff, your employer must notify the Division of Pensions and Benefits in writing, and your membership in the fund can remain inactive for a maximum of ten years (five years for PFRS members).

3. How do I apply for withdrawal?

You must complete Part One and Part Two of the *Application for Withdrawal*. Be sure to sign and date your application.

Your former employer is responsible for the *Employer's Certification for Withdrawal* form. Your withdrawal claim cannot be paid until your former employer has completed this form.

If you are a member of the New Jersey State Employees Deferred Compensation Plan or Supplemental Annuity Collective Trust (SACT), you must file separate

applications for withdrawal from those plans. You can obtain an application by calling the Deferred Compensation Plan at (609) 292-3605, or SACT at (609) 633-2031.

4. What happens to my Group Life Insurance when I withdraw?

Group Life Insurance coverage will expire 31 days after your termination of employment. You may convert all or any part of your insurance to an individual policy by contacting the Prudential Insurance Company of America, Inc. at 1-800-262-1112.

Contributions made for Contributory Group Life Insurance are not refundable upon termination of employment.

5. If I am taking another job in New Jersey government, must I withdraw?

If you are terminating employment to accept another position covered by any government agency in New Jersey (except federal government), you may transfer your account. Please call the Office of Client Services at (609) 292-7524 for more information.

6. I have 10 years of service credit, but have not reached normal retirement age. Must I withdraw?

If you have established at least 10 years of service credit and have not reached normal retirement age, you can apply for Deferred Retirement, whereby you begin collecting a monthly pension at the normal retirement age. Call the Benefits Information Library at (609) 777-1931 and request catalog item 210 for information about Deferred Retirement.

Normal retirement age for the Public Employees' Retirement System (PERS) and the Teachers' Pension and Annuity Fund (TPAF) is 60. Normal retirement age for the Police and Firemen's Retirement System (PFRS) or the State Police Retirement System (SPRS) is 55.

You are not eligible for Deferred Retirement if you withdraw your contributions.

7. What is payable when I withdraw?

If you terminate employment or cease to be an employee for any reason other than death or retirement, you shall receive all of the accumulated deductions standing to your credit in your individual account less any outstanding loan balance.

Withdrawing members of the PERS or TPAF who have at least three years of contributing membership service at the time the service ceases will have interest credited.

No interest is payable to withdrawing members of the PFRS or SPRS.

INSTRUCTIONS FOR COMPLETING THE WITHDRAWAL APPLICATION

PART ONE AND PART TWO OF THE APPLICATION FOR WITHDRAWAL are to be completed by the member and signed. The application should then be returned to the Division of Pensions and Benefits. If you have difficulty completing this form, please call the Division of Pensions and Benefits, Office of Client Services at (609) 292-7524 for assistance. The Division of Pensions and Benefits cannot give tax advice.

PART ONE:

ITEM 2 — ADDRESS

Withdrawal checks must be mailed. They cannot be picked up at the Division of Pensions and Benefits. If you move between the time you file the application and the check is mailed, you may change your address by contacting the Division's Office of Client Services at (609) 292-7524.

ITEMS 5 and 6 — RETIREMENT SYSTEM/MEMBER NUMBER

Be sure to indicate your retirement system and membership number. If you are not sure, consult your personnel, payroll office, or look on your annual *Personal Benefits Statement*.

ITEM 9 — REASON FOR TERMINATION

You must indicate the reason and date of your termination. See Question #1 of the *Frequently Asked Questions* for information on dismissal.

ITEM 10 — WORKERS' COMPENSATION CASES

If you are receiving Workers' Compensation benefits, the Division is required to send you an additional retirement benefit waiver form which you must complete and return before we can process your withdrawal.

ITEM 11 — WAIVER OF RETIREMENT BENEFITS

Please read the instructions on the application and the information in Question #6 of the *Frequently Asked Questions* carefully before completing this waiver. If you have 10 years of membership credit or are age 58 or older (PERS and TPAF) and do not complete this item, you will be required to complete and return a separate benefit waiver form before we can process your withdrawal.

<p>DO NOT RETURN THE APPLICATION WITHOUT COMPLETING PART TWO.</p>
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PART TWO: ROLLOVER ELECTION — SELECTION OF PAYMENT TYPE

If Part Two is not completed or completed incorrectly, the Division of Pensions and Benefits will make your total payment payable to you and withhold 20% federal income tax on the taxable portion of your payment.

Please carefully read the payment selection information on the following page, the instructions on the application, and Fact Sheet #27 — *The Taxability and Mandatory Withholding of Income Tax from your Pension Distribution* before completing this portion of your application. Your selection in Part Two of the application can not be changed once your application has been processed. Call the Automated Information System at (609) 777-1777 to hear your approximate taxable amount and other information concerning withdrawal.

(continued on next page)

Selection 1 - If you choose this selection, the Division of Pensions and Benefits will make your benefit check payable to you at the address listed in Part 1. **20% of the taxable portion of your payment will be withheld** as federal income tax.

Selection 2 - If you choose this selection, there will be a direct **rollover of the entire taxable and non-taxable portion** of your payment. **This selection is only open to those whose taxable portion is \$200 or more.** You must insert the name of the financial institution or employer plan that will accept your rollover. The Division of Pensions and Benefits will mail a check to you which will be made payable to the institution or employer plan you selected to accept your rollover.

Selection 3 - If you choose this selection, there will be a direct **rollover of the entire taxable portion** of your payment. **This selection is only open to those whose taxable portion is \$200 or more.** You must insert the name of the financial institution or employer plan that will accept your rollover. The Division of Pensions and Benefits will mail a check to you representing the taxable portion of your payment which will be made payable to the institution or employer plan you selected to accept your rollover. If part of your payment is non-taxable, a second check for the non-taxable portion will be made payable to you.

Selection 4 - If you choose this selection, there will be a direct **rollover of part of the taxable portion** of your payment. **This selection is only open to those whose taxable portion is \$200 or more.** You must insert the dollar amount you wish to roll over and the name of the financial institution or employer plan that will accept your rollover. Any remaining portion of your taxable amount will be paid to you in a separate check, less 20% for federal tax, along with any non-taxable amount.

Selection 5 - If you choose this selection, there will be a direct **rollover of the entire taxable portion** of your payment, **along with a portion of your non-taxable payment.** **This selection is only open to those whose taxable portion is \$200 or more.** You must insert the dollar amount of the non-taxable portion that you wish to roll over and the name of the financial institution or employer plan that will accept your rollover. The remaining portion of your non-taxable amount will be paid to you in a separate check.

PART THREE: SIGNATURE

Be sure to sign and date your application. For your own protection, unsigned applications will not be processed. The Division cannot accept photocopies or facsimiles of completed applications.

NOTE: If you are a participant in the **Supplemental Annuity Collective Trust (SACT)** or **New Jersey State Employees Deferred Compensation Plan (NJSEDCP)**, and are withdrawing all accumulated salary deductions in the retirement system, a separate application to withdraw from these plans must be filed and submitted to the Division of Pensions and Benefits. To obtain an application please call (609) 633-2031 for SACT or (609) 292-3605 for NJSEDCP.

EMPLOYER CERTIFICATION

The *Employer Certification for Withdrawal* form must be filled out by your former employer after you have terminated employment. While the employer's certification does not have to accompany your *Application for Withdrawal*, **WE CAN NOT PROCESS YOUR APPLICATION UNTIL WE RECEIVE THE EMPLOYER'S CERTIFICATION.**

APPLICATION FOR WITHDRAWAL

Please read instructions carefully before completing the application.

PART ONE: To be completed by member. Please print.

1. Name _____

FIRST
MIDDLE INITIAL
LAST

2. Mailing Address _____

STREET
APT. NO.

CITY
STATE
ZIP CODE

3. Daytime Telephone No. (_____) _____

AREA CODE

4. Date of Birth _____

MONTH
DAY
YEAR

5. I am a member of (*check one only*):
- Public Employees' Retirement System
 - Teachers' Pension and Annuity Fund
 - Police and Firemen's Retirement System
 - State Police Retirement System

6. Member No. _____

7. Social Security No. _____

8. Employer _____

9. Please indicate the reason and date you terminated employment Resigned Dismissed
 Date: ____/____/____

MONTH, DAY, YEAR

10. I AM, or AM NOT receiving periodic benefits under a claim filed for Workers' Compensation based on an injury incurred as a result of service performed in public employment.
 I DO, or DO NOT have a Workers' Compensation claim or litigation pending.

11. Members having 10 or more years of membership credit or who are within 2 years of normal retirement age must waive any monthly retirement benefits by completing the waiver below. ***This item must be completed before your application can be processed.*** If you do not complete the waiver, you will receive an estimate of the retirement and group life insurance benefits for which you would be eligible and a benefit waiver form which must be completed and returned before we can process your withdrawal. ***Any member who is at least age 60 (for PERS and TPAF) or at least age 55 (for PFRS and SPRS) will automatically receive an estimate of retirement benefits and waiver form to complete.***

Although I am eligible for retirement, I elect to withdraw my pension contributions and hereby waive my right to receive a lifetime monthly allowance and group life insurance at retirement in favor of receiving a refund of my pension contributions now. _____

(You must sign here)

Member's Name _____

Member No. _____

PART TWO: To be completed by member. Please print.

Please carefully read the following section and indicate your choice by checking one of the boxes below (this selection is irrevocable once made). For an explanation of these selections read the instructions for Part Two in *Completing the Withdrawal Application*. **If Part Two is not completed or is completed incorrectly, the Division of Pensions and Benefits will automatically withhold 20% federal income tax.** Call the Automated Information System at (609) 777-1777 to hear your approximate taxable amount and other information concerning withdrawal.

IMPORTANT: YOUR SELECTION IS IRREVOCABLE.

Rollover is only available if the taxable portion of your payment is \$200 or more.

1. **Withhold 20% federal income tax** on the taxable portion of my payment.

2. **Roll over the entire payment including any after tax contributions to:**
Print the name of the financial institution or employer plan _____
This is an: IRA Employer Plan

3. **Roll over the entire taxable portion** of my payment to:
Print the name of the financial institution or employer plan _____
This is an: IRA Employer Plan

4. **Roll over \$_____ (dollar amount) of the taxable portion** of my payment to:
Print the name of the financial institution or employer plan _____
This is an: IRA Employer Plan

5. **Roll over the entire taxable portion and \$_____ (dollar amount) of the non-taxable portion** of my payment to:
Print the name of the financial institution or employer plan _____
This is an: IRA Employer Plan

PART 3: I have read both the letter and fact sheet sent with this form. I understand that the Division of Pensions and Benefits will act upon my choice in Part Two. **I understand my selection in Part Two cannot be changed.**

Signature

Date

EMPLOYER'S CERTIFICATION FOR WITHDRAWAL

THIS FORM MUST BE COMPLETED BY FORMER EMPLOYER

1. Name of Member _____
 2. Membership No. _____ 3. Social Security No. _____

This certification will be used to calculate the payment due to the member.

DO NOT COMPLETE THIS FORM UNTIL THE LAST DEDUCTION FROM SALARY HAS BEEN MADE.

I certify that _____
NAME OF FORMER EMPLOYEE

resigned
 was dismissed (no appeal pending)
 was dismissed (appeal pending)

from this organization on _____ . The last pension deduction was made _____ .
DATE BIWEEKLY PAY PERIOD / YEAR OR MONTH/ YEAR*

**State employers must enter the number of the pay period and the year of the last pension deduction. All other employers must enter the month and year of the last pension deduction and be sure to submit that deduction for the entire month.*

The employee IS, or IS NOT receiving periodic benefits under a claim filed for Workers' Compensation based on an injury incurred as a result of service performed in public employment and DOES, or DOES NOT have a Workers' Compensation claim or litigation pending.

CERTIFICATION OF SALARY DEDUCTIONS ONLY TO BE COMPLETED FOR ANY UNPOSTED PENSION CONTRIBUTIONS

I certify that the following deductions have been made from the employee's salary during the last two quarterly periods ending with the current quarter. State biweekly reporting agencies must attach a completed Supplemental Biweekly Certification of Employing Agency or a screen print of the Centralized Payroll History screen in lieu of completing this item.

QUARTER ENDING	BASE SALARY SUBJECT TO CONTRIBUTIONS THIS QUARTER	FULL RATE (%)	PENSION CONTRIBUTION	LOAN REPAYMENT	BACK DEDUCTIONS	ARREARS AND/OR PURCHASES	TOTAL PENSION CONTRIBUTIONS	SACT YES OR NO
	\$		\$	\$	\$	\$	\$	
	\$		\$	\$	\$	\$	\$	

Signature of Certifying Officer _____ Date _____

Employing Agency _____ Telephone Number _____
(INCLUDE AREA CODE)

INSTRUCTIONS FOR COMPLETING THE EMPLOYER'S CERTIFICATION

This certification must be completed by the employer when a member files an application for withdrawal of pension contributions. Failure to provide this information will delay processing of the member's application for withdrawal. If you need assistance in completing this certification, call the Division of Pensions and Benefits' Office of Client Services at (609) 292-7524 weekdays between 9:00 a.m. and 4 p.m. (except State holidays).

ITEMS REQUIRING SPECIAL ATTENTION

REASON FOR LEAVING

You must indicate the member's reason for leaving. Place an (X) the box next to "resigned," or if the member was dismissed, you must also indicate with an (X) if the dismissal has an appeal pending or no appeal pending. This information is required before processing the withdrawal application.

TERMINATION DATE

A member must terminate employment **before** this certification can be submitted to the Division of Pensions and Benefits. Include the date of termination and the date of the last pension deduction. **State biweekly reporting agencies must enter the number and year of the last pay period of the last pension deduction. All other employers must enter the month and year of the last pension deduction.**

WORKER'S COMPENSATION

Please indicate if the member was receiving periodic benefits under a claim filed for Worker's Compensation. Place an (X) in the block to indicate if the member IS or IS NOT receiving these benefits. You must also indicate with an (X) if the member DOES or DOES NOT have a Worker's Compensation claim or litigation pending. This information is required before processing the withdrawal application.

SALARY DEDUCTIONS

Indicate the following: (1) quarter ending, (2) amount of monthly base salary subject to contributions, (3) full rate of contribution, (4) the dollar amount of the deduction, (5) loan repayment amount (if any), (6) back deductions, (7) arrears or purchase deductions, (8) the total pension contributions (include all deductions for the quarter), and (9) answer "yes" or "no" to whether the member contributed to the Supplemental Annuity Collective Trust (SACT).

**SUBMIT THIS CERTIFICATION TO: WITHDRAWAL SECTION
DIVISION OF PENSIONS AND BENEFITS
PO BOX 295
TRENTON NJ 08625-0295**