



# Insurance Deduction Authorization for Public Safety Officers

Use this form to have your health and long-term care insurance premiums paid directly to your former employer. You must be an eligible retired or disabled public safety officer to participate in this program.

|                        |                        |                      |          |
|------------------------|------------------------|----------------------|----------|
| Applicant's First Name | Middle Initial or Name | Last Name            |          |
| Address                | City                   | State                | Zip Code |
| Birth Date             | Social Security Number | Daytime Phone Number |          |

## MEMBER CERTIFICATION AND AUTHORIZATION

I certify that I was an eligible public safety officer when I retired from TCDRS or when I became disabled, and that I qualify for this program. I elect to have amounts deducted from my TCDRS benefit to pay for qualified insurance premiums, as provided by the Pension Protection Act of 2006. I certify that the deductions I am requesting are for qualified insurance premiums.

I authorize ...

- TCDRS to pay my qualified insurance premiums directly to my former employer and deduct the cost from my monthly retirement benefit.
- TCDRS to release sufficient information to my insurance provider to ensure proper handling of insurance premiums.
- TCDRS to adjust my deduction if advised by my former employer or the plan administrator that my insurance premium has changed.

I understand that ...

- \$3,000 is the maximum amount of premiums I can exclude annually from my income even if my insurance premiums exceed this amount.
- I cannot request any other retirement plan to pay qualified health care premiums from my benefit.
- My former employer or plan administrator may be required to periodically initiate a change in the amount of my premium.
- The date I provide this form to my former employer's Human Resources Department, and the date TCDRS receives this form will determine the date the first premium deduction from my monthly retirement benefit begins.
- TCDRS will notify me when these insurance payments start and it is my responsibility to make my premium payments until that time.

I certify and agree that TCDRS is not responsible for any lapsed insurance coverage or additional tax liability, interest or penalties that may arise because I requested this benefit. I hereby indemnify and release TCDRS from any liability arising from the administration of the payment of my qualified insurance premiums. This authorization remains in effect with TCDRS until cancelled by written notice from me or until my death.

|                                   |      |
|-----------------------------------|------|
| Applicant's Signature<br><b>X</b> | Date |
|-----------------------------------|------|

County – Form Received Date

County - Monthly Premium Amt.

Administrator – Confirmation

Deduction Start Date



## ADDITIONAL INFORMATION

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

For you to take advantage of this deduction, TCDRS must pay the premium to your insurance provider or former employer directly.

### Payments

Please be aware that your former employer must accept an EFT (Electronic Funds Transfer) from TCDRS. We cannot reimburse you for any premium payments that you make.

### Taking the deduction on your federal income tax return

Your insurance premium deductions will not appear on your IRS 1099-R tax statement. Around the time you receive your 1099-R from TCDRS, you will also receive a separate letter summarizing your insurance deductions for the previous year. To deduct your insurance premiums on your federal income tax return, subtract the amount of your insurance premiums (up to \$3,000) from the taxable portion of your TCDRS benefit. If you take this deduction, you may want to review your tax withholding. You can change the withholding on your TCDRS benefit at any time using the *Income Tax Withholding* form (TCDRS-73), available on our website ([www.tcdrs.org](http://www.tcdrs.org)).

### Frequently asked questions

#### ***What is the definition of a public safety officer?***

The PPA uses the definition in the federal Omnibus Crime Control and Safe Streets Act of 1968. That definition covers people serving a public agency in an official capacity involved in crime and justice 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 fire fighters
- Officially recognized or designated:
  - o Public employee members of a rescue squad or ambulance crew
  - o Members of a legally organized volunteer fire department
  - o Chaplains of volunteer fire departments, fire departments and police departments

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

TCDRS will continue the deductions, but the maximum amount you can exclude from your income is \$3,000.

#### ***Is the deduction available to my spouse?***

No. The deduction is available only to you. No other individual is eligible to make the election. This deduction is not available to surviving spouses and will cease when you pass away.