


south carolina
opeba
state health plan | retirement systems

Serving those who serve South Carolina

Ending TERI participation


Contributions and service credit during TERI



- During your TERI period, you contribute a tax-deferred percentage of your gross pay, which is 9 percent as of July 1, 2017, into your SCRS account.
- TERI participants do not earn additional service credit or interest on their TERI account.

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TERI exclusions



- TERI participants are not eligible for SCRS disability retirement benefits.
- TERI participants cannot purchase service credit.
- Payments for unused annual leave prior to TERI participation are not included in the calculation of benefits while in TERI.
- TERI participation may not continue after June 30, 2018.

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Ending your TERI participation



- TERI end packet
- Terminate employment
- TERI account balance
- Payments for unused annual leave
- Returning to covered employment after TERI
- Retiree group insurance

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Ending your TERI participation



- TERI end date
 - The end date occurs five years after your date of retirement (start of TERI participation) and no later than June 30, 2018.
 - PEBA will send you a TERI end packet 90 days before your expected end date.
- Ending TERI early
 - You may also choose to end TERI before your original end date.
 - Notify your employer and contact PEBA.
 - Once notified, PEBA will send a TERI end packet.

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TERI end packet



- Includes the amount of your monthly SCRS benefit before taxes and your estimated TERI account balance
 - Monthly SCRS benefit is subject to change
- Includes *TERI Payout Election Form* (Form 7500)
- Includes *Withholding Certificate for Monthly Annuity Benefit Payments* (Form 7202)
- Includes *Direct Deposit Authorization* (Form 7204)

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TERI end packet



- **TERI Payout Election Form**
 - Designate how to receive your TERI balance.
- **Withholding Certificate for Monthly Annuity Payments**
 - Update tax withholdings for future monthly benefits, if needed.
 - This can be updated through Member Access on PEBA's website, www.peba.sc.gov.
- **Direct Deposit Authorization**
 - Update direct deposit information for future monthly benefits, if needed.
 - This can also be updated through Member Access.

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Ending employment



- At the end of your TERI period, you are required to terminate your employment.
- Your employer must also certify your TERI termination date to PEBA.
- When PEBA receives the employer certification, you can begin receiving your monthly benefit payments and receive the balance in your TERI account, either paid in a lump sum or rolled over in whole or in part into a plan of your choosing.

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TERI account balance



- State law requires you to receive the balance in your TERI account, with or without a direct rollover.
- Your options include:
 - Single-sum payment;
 - Direct rollover; or
 - Partial rollover.
- Keep in mind the tax impact of these options.
- For financial advice or information on early withdrawal penalties, check with a tax advisor, accountant, the IRS or the South Carolina Department of Revenue.

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TERI account balance



- Single-sum payment
 - Receive the entire balance of your TERI account through direct deposit.
- Direct rollover
 - Transfer the full taxable portion of your TERI account into a qualified plan.
- Partial rollover
 - Transfer any portion of tax-deferred amount of your TERI account into a qualified plan.
 - The remaining balance is paid directly to you.

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Payments for unused annual leave



- Payments for unused annual leave are not included in calculating a member's TERI benefit during the TERI period.
- At the end of TERI, employer certification of payments for unused annual leave at termination are reported to PEBA. This can include up to 45 days of unused annual leave.
- The monthly benefit is then recalculated.

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Returning to covered employment after TERI



- Employment is not guaranteed.
- You are subject to the rules governing return-to-work retired employees.
 - You may be subject to a \$10,000 annual earnings limitation.
 - Thirty days of TERI participation are required to meet the 30-day break in service requirement.
- As a return-to-work retiree, you continue to contribute a tax-deferred percentage of your gross pay, which is 9 percent as of July 1, 2017, into your SCRS account.

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Retiree group insurance



- If you are enrolled in the State Health Plan while participating in TERI, you remain on active employee health insurance.
- If you are eligible for retiree group insurance after ending TERI, you will need to enroll within 31 days of ending the program.
 - Retiree Notice of Election
- For more information on retiree insurance eligibility rules, see Pages 162-166 of the 2017 Insurance Benefits Guide.

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Important reminders



- Complete the TERI Payout Election Form. (Form 7500)
- You must terminate employment at the end of your TERI period.
- Your employer must certify your termination date before you can receive your monthly benefit payments and your TERI account balance.
- You are required by law to take your TERI account.
- If eligible, enroll in retiree group insurance.

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Contact us



- Call PEBA's Customer Contact Center at 803.737.6800 or 888.260.9430.
- Visit PEBA's website, www.peba.sc.gov.
 - Member Access
 - Print your TERI statement
 - Update tax withholdings and direct deposit accounts
 - Retiree FAQs are at www.peba.sc.gov/retireesfags.html.

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