



**Service purchase:
rules**

Retirement Benefits Training
Fiscal year 2026



Serving those who serve South Carolina

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Purchasing service credit

- Active members may be eligible to establish additional service credit by:
 - Purchasing qualified service;
 - Restoring previously withdrawn service or transferring eligible SCRS service to PORS service; and
 - Buying up to five years of non-qualified service.
- May establish each type of service credit once within a fiscal year.

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Service purchase requirements

- Must be active, contributing member.
- Must have five years earned service to purchase non-qualified time.
- All service purchases must be completed before leaving employment.
 - If member terminates employment within one year of retirement eligibility, the member has an additional five business days after termination to purchase any service they are otherwise eligible to purchase.
- No duplication of benefits in another defined benefit plan, except for military plan.
- No overlapping service credit.

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Purchased service counting toward earned service

- Purchased service is considered earned service when it is from:
 - Withdrawn earned service;
 - State ORP service;
 - Military leave of absence service;
 - Workers' compensation; or
 - Transfer from SCRS to PORS.
- Earnings associated with earned service may be included when determining average final compensation.
- Other types of purchased service (e.g., public, educational, military or non-qualified service) are not considered earned service.

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Purchased service and retirement eligibility

- Counts toward total retirement service credit requirements.
- Does not count toward earned service requirements except as identified on the prior slide.
- Does not count toward retirement age requirements.
- Some types of purchased service cannot be used for retiree health insurance eligibility. Member should contact PEBA for more information.

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Calculating purchased service credit

- Indexed Service Credit Threshold chart used for:
 - Public service;
 - Educational service; and
 - State ORP service.
- Formula may also be applied to:
 - Previously purchased part-time credit; or
 - Previously earned part-time credit from before July 1, 1996.

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