Be Aware + Prepare

Leaving before retirement eligibility

Retirement Starts Now
Mid-career
Fiscal year 2027

PEBA
SC Retirement Systems and State Health Plan

Serving those who serve South Carolina

1

Requesting a refund from your SCRS, PORS account

- Forfeit rights to any future service or disability retirement benefit.
- Can generally roll over funds into eligible retirement plan.
- If you do not roll over refund, taxable portion might be:
  - Subject to taxes; and
  - Subject to additional tax penalty if younger than age 59½.
- Consult with tax professional for more information.
- Must terminate employment from all covered employers and correlated systems.
- Minimum 90-day waiting period from termination date before refund issued.
- Employer contributions are not refunded.
- Returning to covered employment before refund payment cancels refund application.
- Request a refund by completing a notarized *Refund Request* (Form 4101).

2

Leaving funds in your SCRS, PORS account

- Member accounts earn 4% interest annually until account becomes inactive.
- Account becomes inactive as of July 1 when:
  - No contributions made in preceding fiscal year; and
  - No other active, correlated system or State ORP account exists.
- Can request refund later.
- Members can monitor their account in Member Access.
- If leaving employment with enough earned service, can apply for retirement benefit once age requirement is met.
- If returning to covered employment later, can resume making contributions and earning service credit.
- Can leave funds in your account until required by IRS rules to take a distribution.

3

Leaving funds in your State ORP account

- Can leave your funds in your State ORP account until choosing to take withdrawals.
  - If younger than age 59½, must separate from all covered employment before taking a withdrawal.
- Can leave funds in your account until required by IRS rules to take a distribution.
- Your account balance could:
  - Increase from investment earnings; or
  - Decline from investment losses and administrative fees.
- Can generally roll over funds into eligible retirement savings account.

4

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5