



Board of
Education
Retirement
System

Securing your financial future today

Winter 2025



RMD

The Internal Revenue Service (IRS) requires you to withdraw a certain amount of funds from your Pre-Tax 403(b) Tax Deferred Annuity (TDA) account balance each year from when you attain eligibility. This is known as the Required Minimum Distribution (RMD) rule, where you must withdraw a minimum amount from your pre-Tax TDA balance once you meet certain requirements as outlined below:



In general, Required Minimum Distributions are required for members who:

- 1) Have left service
- 2) Elected to defer their TDA balance
- 3) Have reached age 73 by December 31 of a given year

It's worth noting that if your TDA account carries a pre-tax balance at the time you meet the RMD eligibility criteria, the account balance will be subject to RMD's as your contributions were made with pre-tax dollars. If your TDA account solely carries a Roth balance at the time you meet the RMD eligibility criteria, your TDA account will not be

subject to RMD's as your contributions were made with after-tax dollars.

If your TDA account carries a pre-tax balance and a Roth balance, then at the time that you meet the eligibility criteria, only the pre-tax portion will be subject to RMD's. To determine your annual required minimum distribution we take the TDA pre-tax balance as of December 31 of the previous year (minus your pre-1987 balance), then divide by a specific IRS factor, that is based on your age and your selected calculation methodology, then subtract any TDA withdrawals you have received during the calendar year, the result will be your RMD for that year.

If you do not take your RMD's when mandated to, the IRS will levy a penalty that amounts to 25% of the amount you were supposed to withdraw. That penalty is on top of the taxes you owe for your required withdrawal.

You will need to complete and submit the [form](#) if it's your first time submitting your form, however if you would like to make any changes associated with your RMD's, you will have to complete and submit a [Required Minimum Distribution Update form](#). ■

After retirement the application to update your beneficiaries differs from when you were an active member. When completing your retirement application you were asked to designate only one beneficiary to receive that fractional death benefit payout amount as per the provisions in the event of your death.



You will also be asked to designate one or more beneficiaries to receive a Post Retirement Death Benefit payout as per the law in the event of your death. If you would like to make changes to your beneficiary selections or simply update their contact information after you have submitted your retirement application, you will have to complete and submit a Retiree Designation of Beneficiary form.

If you also have a Tax Deferred Annuity (TDA) account, you can also designate one or more beneficiaries to that account. To designate one or more beneficiaries to your TDA account, you will need to complete and submit a TDA Designation of Beneficiary form. If you would like to make changes to your TDA beneficiary's profile such as updating their phone number, email, address etc. you will need to complete and submit a TDA Designation of Beneficiary form as well.

Please note, only the latest correctly completed form filed with BERS will be honored at the time of your death. Any beneficiary designated by you will only be authorized to receive payment if living at the time the payment is due, therefore it is imperative that you keep your beneficiary list accurate and up to date. ■

Understanding the IRS W-4P Form: Why it's important and how to use It

One area that often raises questions during Tax season is tax withholdings—especially for those receiving retirement income. The IRS W-4P form plays a critical role in managing your tax obligations.

What Is the IRS W-4P Form?

The W-4P, officially titled the *"Withholding Certificate for Periodic Pension or Annuity Payments,"* is used to tell the agency responsible for administering your retirement benefits how much in federal income tax to withhold from your monthly pension disbursements. This form allows you to adjust your tax withholdings to help to avoid underpayment penalties or overpayment refunds.

Why is It important?

Without proper withholdings, you might owe a significant amount when you file your tax return, or you could be overpaying throughout the year. By submitting a W-4P form, you can ensure your tax withholdings are accurate and reflect your tax bracket, and deductions.

When to use the W-4P form

1. **Adjusting Tax Withholdings:** If your tax preparer or accountant has advised you to withhold more (or less) taxes to avoid unexpected bills or penalties, the W-4P is the form to use.
2. **Changing Financial Circumstances:** Life events like retirement, changes in income, or new deductions may require updates to your withholdings.

How to make changes

To update your tax withholdings:

1. Request a W-4P form from BERS by visiting our website, by contacting our Call Center, or by visiting our Member Services Walk-In Center.
2. Complete the form with your desired withholding adjustments.
3. Submit the form back to BERS for processing.

BERS representatives are not authorized to provide financial or legal advice, so if you're unsure how to fill out the W-4P form or whether changes are necessary, consult your tax advisor or accountant for guidance. ■

UPDATING YOUR CONTACT INFORMATION

Keep your contact information up to date with BERS

It's important to ensure that BERS has your most current contact information—including your address, phone numbers, and email address so you don't miss any important statements or correspondence.

Not sure if your information is up to date? Here's how you can check and make updates:

If you already have a Member Self Service account

1. Log in to your account by visiting BERS.nyc.gov.
2. Select the **My Profile** tab on the left-hand side of our homepage to review the information we have on file.
3. Need to update your **mailing address**? Upload a supporting document (such as a utility bill, or a copy of your state issued ID or Driver's License) directly through your account.
4. To update your **phone number** or **email address**, download the Retirees Update Contact Information form from our website.

If you don't have an online account

No need to worry! Contact our Call Center at 929-305-3800 between 8:30 a.m. and 4:30 p.m., **Monday through Friday**. We can confirm what's on file for you.

Making changes to your information

For security reasons, your contact information cannot be updated over the phone. To make the desired changes to your account you will be required to complete and have notarized a Retirees Update Contact Information form. This applies to updates for:

- Mailing address (if not completed online)
- Phone numbers
- Email addresses

You can request the form by:

- **Visiting our website** <https://www.bers.nyc.gov/site/bers/plan-information/forms.page> to download it, or
- **Calling our Call Center** to have it emailed, or mailed to you.

If you have any questions or need assistance, don't hesitate to reach out to us! ■



HAVE A TRUSTED GO TO PERSON

No one likes to think about it, but once we pass away our loved ones will have to make a lot of decisions and complete a lot of paperwork during what will be an emotional time. Having a trusted go to person who has all the instructions they need can make this process much easier. Once a year or after any major life event, you should go over your plan with your trusted go to person. Provide them with all the information they will need, like which agencies to contact, what to ask about, and your account identifiers, like your BERS membership number. Having a trusted go to person who will know what actions need to be taken will help smooth what will be a difficult process. ■

DEATH BENEFITS

The death of a BERS member or retiree is undeniably a difficult process to navigate. It is important for BERS to be notified as soon as possible, so that we can initiate and assist in the death benefits process. Anyone can notify BERS of the death of a retiree by contacting our Call Center at 929-305-3800 or by sending an email to brespon@bers.nyc.gov. Upon notifying BERS, you must provide a copy of the original death certificate and your contact information. Once BERS has received the death certificate, BERS will conduct a thorough review of the account and contact the beneficiaries listed. BERS will provide the beneficiaries with the necessary applications that will need to be completed to receive the death benefits payable. We will also inform the beneficiaries of any necessary documents that will be required for processing. Once all forms and documentation have been received by BERS, we will then process the payments to the designated beneficiaries. ■

PROCESSING TIMELINE FOR BERS APPLICATIONS/FORMS

Processing your BERS Applications/Forms is one of our priorities at BERS. It is understandable that unexpected situations may arise, and members may have to reach out to BERS with urgent requests. We would like you to be aware of the time frame needed to process various applications and forms. Our processing times are based on the volume of applications/forms, reviewing each application/form, and reviewing your account thoroughly. It is always best to plan ahead, if possible, to avoid frustration and disappointments. Please view the processing timeline below based on the applications/forms submitted.

FORM	TIME FOR PROCESSING
Retirees Update Contact Information	30 business days
Lost Check Affidavit	30 business days*
EFT Authorization	30 days*
Retirees Designation of Beneficiary	30 business days
W4P	20 business days

* This depends when the form is received and may take longer.

EXTRA EXTRA SEE ALL ABOUT IT!



NYCBERS - Health Benefits Eligibility

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Need assistance completing some of our BERS forms? Well...look no further as we have created various video tutorials for you. The videos below are available on our BERS YouTube channel now:

- How to complete or update the TDA Designation of Beneficiary form
- How to Notarize a Document
- How to submit a Form to BERS
- Health Benefits Eligibility ■

2024 1099-R FORMS ISSUED

It is the beginning of the year and tax season is here!

The 1099-Rs will be issued and mailed by January 31, 2025, to all members. If at any time during 2024, you received a monthly retirement benefit, a refund of your contributions, or if you defaulted on an outstanding loan, you will receive a form 1099-R.

The 1099-R form, which is the official Internal Revenue Service (IRS) tax form documenting the distribution of pre-tax funds from your qualified retirement accounts, is meant to assist you in determining your federal and state income tax refund (payment) due for Calendar Year 2024. You should provide a copy of the 1099-R to your tax preparer.

The 1099-R shows the total benefit received in 2024, the taxable and non-taxable portions of the benefit, and the total amount of the tax withheld, if any, during the year. If you received any payments (other than a new loan disbursement) from BERS and you did not receive a 1099-R form, you can receive a duplicate 1099-R after the date of 01/31/2025 by contacting our BERS Call Center at 929-305-3800 or emailing us at brespon@bers.nyc.gov. Please ensure that we have your current address in our records. ■



PAFR, THE QUICK GUIDE TO YOUR RETIREMENT SYSTEM

Did you ever want to find out more about BERS without reading through numerous pages of the annual report? Well, we have just the thing for you. BERS debuts its first PAFR (Popular Annual Financial Report). This is a concise look at the system covering the Qualified Pension Plan, Tax-Deferred Annuity Program, Funding, Membership and more. So, grab a coffee, sit in a comfy chair and peek behind the scenes of your retirement system. ■

PENSION PAYROLL CALENDAR

JANUARY
Checks Mailed
JANUARY 29
EFT Deposit
JANUARY 31

FEBRUARY
Checks Mailed
FEBRUARY 26
EFT Deposit
FEBRUARY 28

MARCH
Checks Mailed
MARCH 27
EFT Deposit
MARCH 31

BERS | Board of
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Executive Office

55 Water Street, 50th Floor, New York, NY 10041

Call Center hours

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