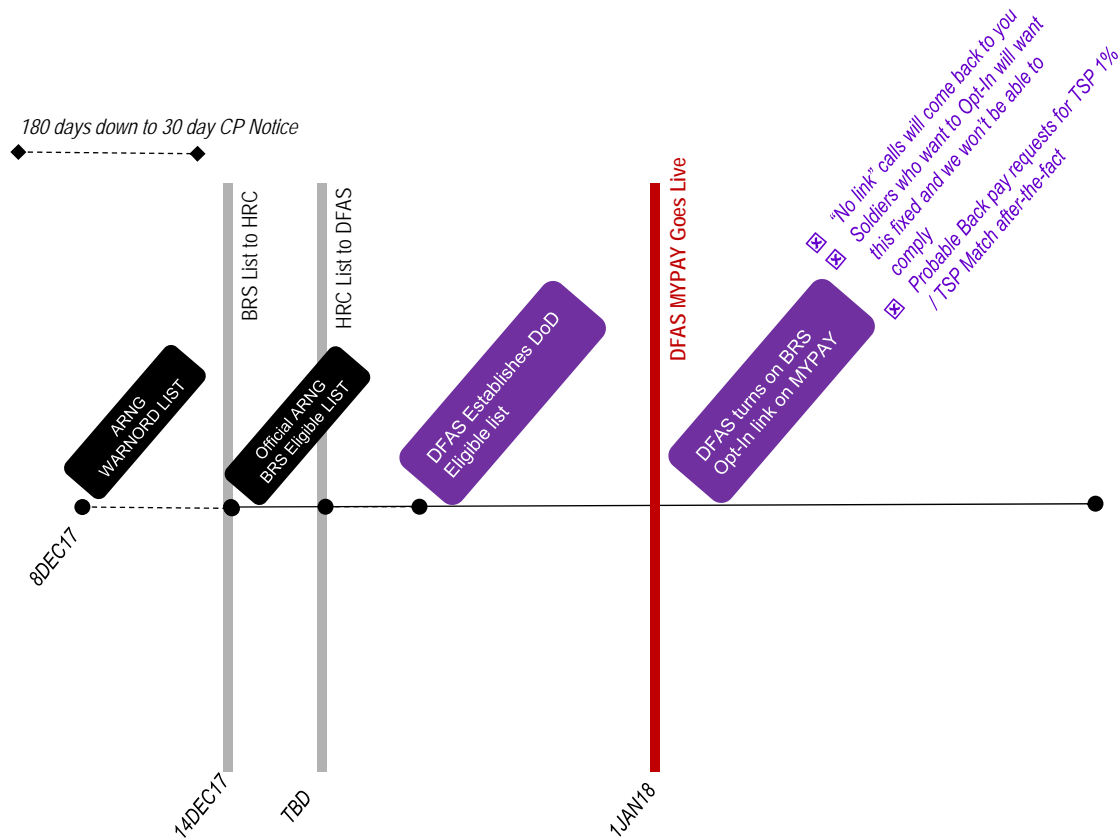


# Blended Retirement: Actions Needed (before 1JAN18)

*“We have a lot of things to do to be ready  
for BRS Execution”*

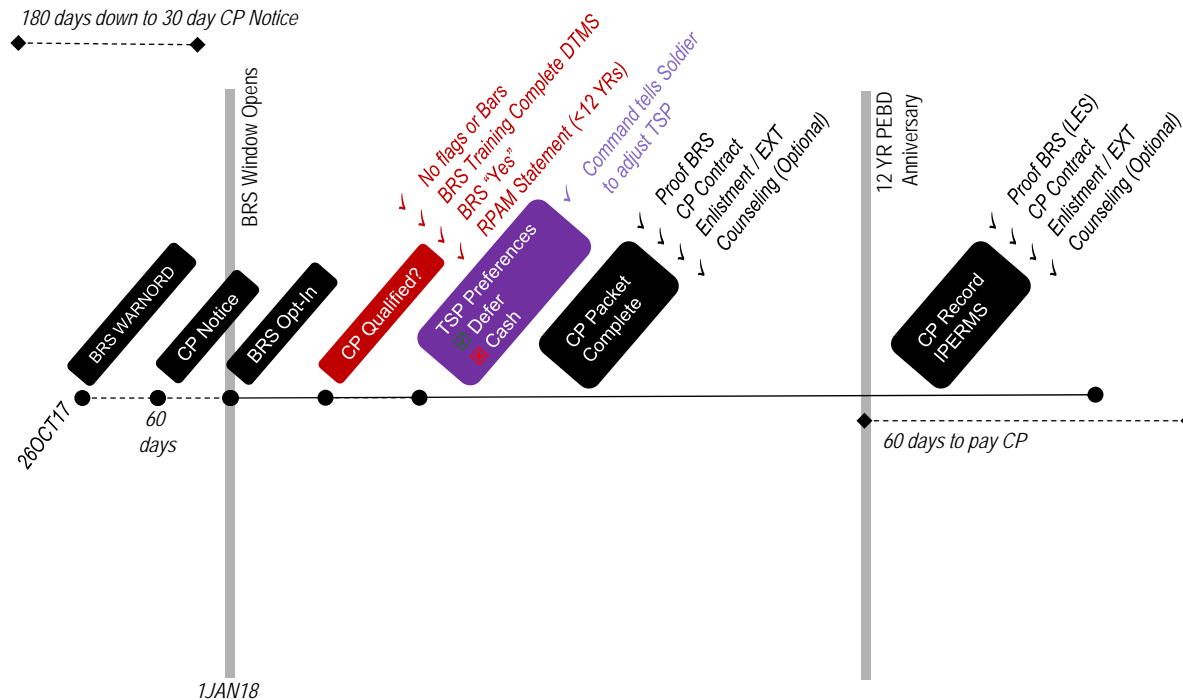
*Tuesday 28NOV17 All-States Telecom*

# BRS Opt-In Eligible List



- ✓ Scrub your State for any Soldier who will have a 12 year PEBD anniversary in 1<sup>st</sup> QTR of 2018
- ✓ Have a conversation with every one of them (start with JAN anniversary group)
- ✓ **Make sure you know their PEBD anniversary date and backward plan these dates to ensure no Soldier is missed.**

# BRS Continuation Pay POAM



- ✓ Identify BAR/Flagged Soldiers who will have a 12 year anniversary in 2018, notify unit leadership for decision
- ✓ Make sure your 12 year anniversary population know that they have to give "CP notice at a minimum of 30 days before their 12 year anniversary" (By-name)
- ✓ Inform Soldiers of TSP website choices which must be done before CP payment is made (defer or cash). See BRS Continuation Pay-TSP Slide

- ✓ It will probably help to ID "BRS Yes" population informally to ensure Chain of Command is doing the correct things (so you don't miss the deadline)

# BRS Continuation Pay-TSP



## THRIFT SAVINGS PLAN ELECTION FORM

## TSP-U-1

Use this form to start, stop, or change the amount of your contributions to the Thrift Savings Plan (TSP). Before completing this form, please read the *Summary of the Thrift Savings Plan* and the instructions on the back of this form. Type or print all information. **Return the completed form to the office of your service that is responsible for enrolling members in the TSP.** That office should return a copy to you after completing Section V. **Note:** To choose your investment funds, see the instructions in the General Information section on the back of this form.

### I. INFORMATION ABOUT YOU

1. Name (Last) \_\_\_\_\_ (First) \_\_\_\_\_ (Middle) \_\_\_\_\_

2. Mailing Address (may be APO or FPO) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

3. Social Security Number \_\_\_\_\_ 4. ( \_\_\_\_\_ ) \_\_\_\_\_  
Daytime Phone (Area Code and Number)

5. Date of Birth (mm/dd/yyyy) \_\_\_\_\_ 6. Office Identification (Service and Organization) \_\_\_\_\_

### II. CHOOSE THE AMOUNT OF YOUR CONTRIBUTIONS

Your choice will cancel all previous elections.

To start or change the amount of your contributions, enter in Items 7–10 the percentage of your pay each pay period that you want as traditional (pre-tax) contributions. Enter in Items 11–14 the percentage of your pay each pay period that you want as Roth (after-tax) contributions. **Note: You must elect to contribute at least 1% of basic pay (or its equivalent) to be eligible to contribute from your other types of pay (see instructions).** Remember: A blank line next to a type of contribution equals 0% contributed.

Traditional (Pre-Tax) Contributions All Services			Roth (After-Tax) Contributions All Services		
Basic Pay	7.	.0%	11.	.0%	
Incentive Pay	8.	.0%	12.	.0%	
Special Pay	9.	.0%	13.	.0%	
Bonus Pay	10.	.0%	14.	.0%	



[Click here for TSP Information](#)

### ATTENTION!

The maximum percentages in the grid below are automatically adjusted as you enter amounts. For example, if you enter a percentage into Traditional Base Pay, then the maximum amount that you may also enter into Roth Base Pay will be adjusted and vice versa. The absolute maximum amount that you may contribute to either Roth or Traditional TSP for each pay type is indicated next to the corresponding text box.

**After you submit your traditional and/or Roth elections on myPay, the pay system may further adjust your requested percentage elections. This is due to the elected percentages currently on your pay account, the maximum allowable percentages, and the timing of the processed elections.**

	Traditional TSP			Roth TSP		
	Current	New	Maximum	Current	New	Maximum
Base Pay	17%	<input type="text" value="17"/>	92%	0%	<input type="text" value="0"/>	49%
Special Pay	0%	<input type="text" value="0"/>	100%	0%	<input type="text" value="0"/>	65%
Incentive Pay	0%	<input type="text" value="0"/>	100%	0%	<input type="text" value="0"/>	65%
Bonus Pay	0%	<input type="text" value="0"/>	100%	0%	<input type="text" value="0"/>	65%

### TSP-U-1, INFORMATION AND INSTRUCTIONS

#### GENERAL INFORMATION

You may start, stop, or change your contributions at any time. Your TSP election will stay in effect until you submit another election or until you separate from the uniformed services. This form only applies to regular contributions. If you are age 50 or older and want to make catch-up contributions, use Form TSP-U-1-C, Catch-Up Contribution Election.

**Basic pay** for active duty is defined in 37 U.S.C. section 204; pay for the Ready Reserve (e.g., inactive duty for training (IDT) pay) is defined in 37 U.S.C. section 206. **Incentive pay** (e.g., flight pay, submarine pay, hazardous duty pay), **special pay** (e.g., medical and dental officer pay, hardship duty pay, career sea pay), and **bonus pay** (e.g., enlistment and reenlistment bonuses), are defined in 37 U.S.C. chapter 5. (Although bonus pay is a form of special pay, it is treated separately from special pay for TSP purposes.)

**Important note for new TSP participants:** All contributions to your account will be invested in the Government Securities Investment (G) Fund until you direct the TSP to allocate your contributions differently. The TSP publication *Summary of the Thrift Savings Plan* describes all of your investment choices and discusses their risks and advantages. For more information, you can also obtain a copy of the TSP Fund Information sheets. (The most current versions of TSP forms and publications are available on the TSP website at tsp.gov.)

**To choose your investment fund(s),** use the TSP website (tsp.gov) or the ThriftLine at 1-TSP-YOU-FRST (1-877-968-3778); outside the U.S. and Canada, call 404-233-4400. On the TSP website, you will need your TSP account number (or user ID) and Web password. Using the ThriftLine, you will need your TSP account number and your ThriftLine Personal Identification Number (PIN). If you are a new participant, your TSP account number, ThriftLine PIN, and Web password will be mailed to you (separately) after your account has been established.

**If you change your address,** notify your service's personnel or benefits office that is responsible for your TSP enrollment so that your service can correct your records for your TSP account.

#### SECTION I

Complete all items in this section. In Item 4, provide your daytime telephone number.

#### SECTION II

Your choice will cancel and replace all previous elections.

#### Example

Previous Election:

Traditional 5%  
Roth 2%

New Election:

Traditional 5%  
Roth 10%

Complete this section to start or change the amount of your contributions. Whatever you enter in this section will cancel all previous elections; therefore, be sure to indicate exactly what percentages you want to contribute, even if part of your election has not changed (see the example in the margin). You can elect to make traditional (pre-tax) and Roth (after-tax) contributions simultaneously. **Traditional contributions** come out of your pay before taxes are calculated; you pay taxes on these contributions and their earnings when you withdraw them. (If the contributions were from tax-exempt pay, you will owe taxes only on the earnings at withdrawal.) **Roth contributions** are made with after-tax or tax-exempt money, and the earnings grow in your account tax-deferred. Withdrawals of Roth contributions are tax-free. The earnings associated with Roth contributions are also tax-free, but only if 5 years have passed since January 1 of the calendar year in which you made your first Roth contribution, and you have reached age 59½, have a permanent disability, or have died.

**Your contribution election.** You must elect a percentage of your basic pay in Items 7 and/or 11 in order to be eligible to elect to contribute from incentive, special, and bonus pay (Items 8–10 and Items 12–14). You can then contribute from 1% to 100% of these other types of pay, even if you are not currently receiving them; your election will cover future payments to which you become entitled.

**Tax-exempt contributions.** Your pay earned while serving in a combat zone is tax-exempt. If you elect to make Roth contributions from this type of basic pay (Item 11), the earnings on your contributions will also be tax-free when you withdraw them (if you qualify). If you elect to make traditional contributions from your basic pay (Item 7), you will have to pay taxes on the earnings when you withdraw them.

**Contribution limits.** The Internal Revenue Code (IRC) limits contributions to your TSP account. The **402(g) annual elective deferral limit** is the maximum amount of pay you can contribute in a single year. It does not apply to traditional contributions from tax-exempt pay earned in a combat zone. The **415(c) annual additions limit** is the maximum amount per employer that can be contributed on your behalf in a single year, including all of your contributions from taxable and tax-exempt pay, as well as any contributions from your service or agency. (For 415(c) purposes, working for multiple federal agencies or services is considered having one employer.) **Note:** The 402(g) limit does apply to Roth contributions from tax-exempt pay when you reach that limit these contributions stop. In such cases, if you want to continue contributing tax-exempt pay up to the 415(c) limit, you will need to submit a new Form TSP-U-1 electing traditional contributions. IRC limits may be adjusted annually. For the current limits, visit "Contribution Limits" under "QuickLinks" at tsp.gov.

## Continuation Pay into Thrift Savings Plan

- ✓ Must elect at least 1% of basic pay to be eligible to contribute from continuation pay (bonus pay).
- ✓ Social Security (FICA) and Medicare taxes will be taken out of full continuation pay amount (7.65%)
- ✓ Caution: Continuation Pay going into TSP counts towards annual contribution limit (\$18,500 for 2018; reduced matching if go over limit early in year) Can be split into 4 equal payments to reduce tax liability.

# BRS Worklist (NLT 1JAN18)

## **NGB**

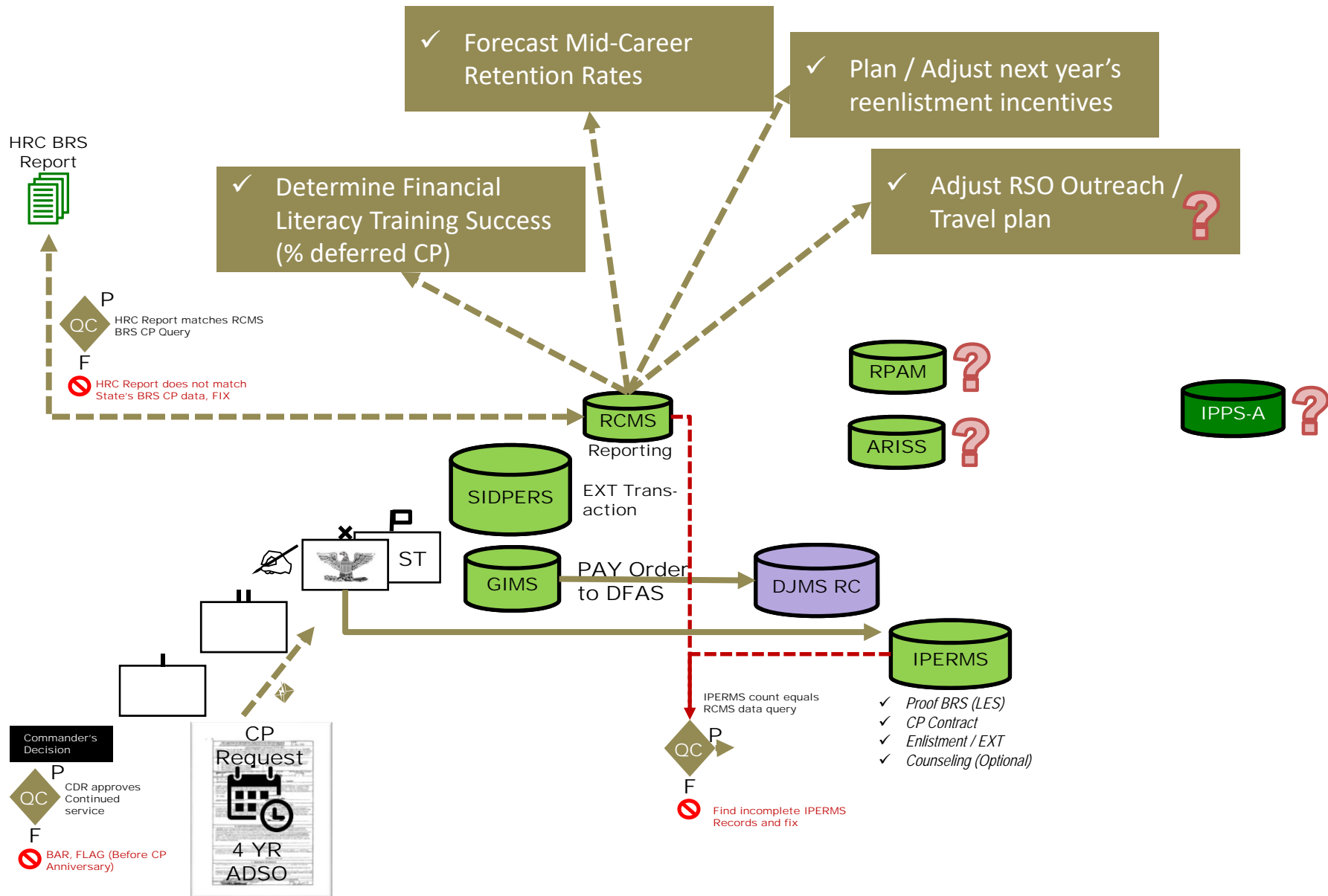
- Figure out “Proof of BRS”
- Continuation Pay Process
  - SRIP Update
  - Guidance for Incentive Managers
  - ARNG CP Policy NLT (DEC)
- Determine RCMS BRS data report requirements
- Lump sum packet checklist

## **State**

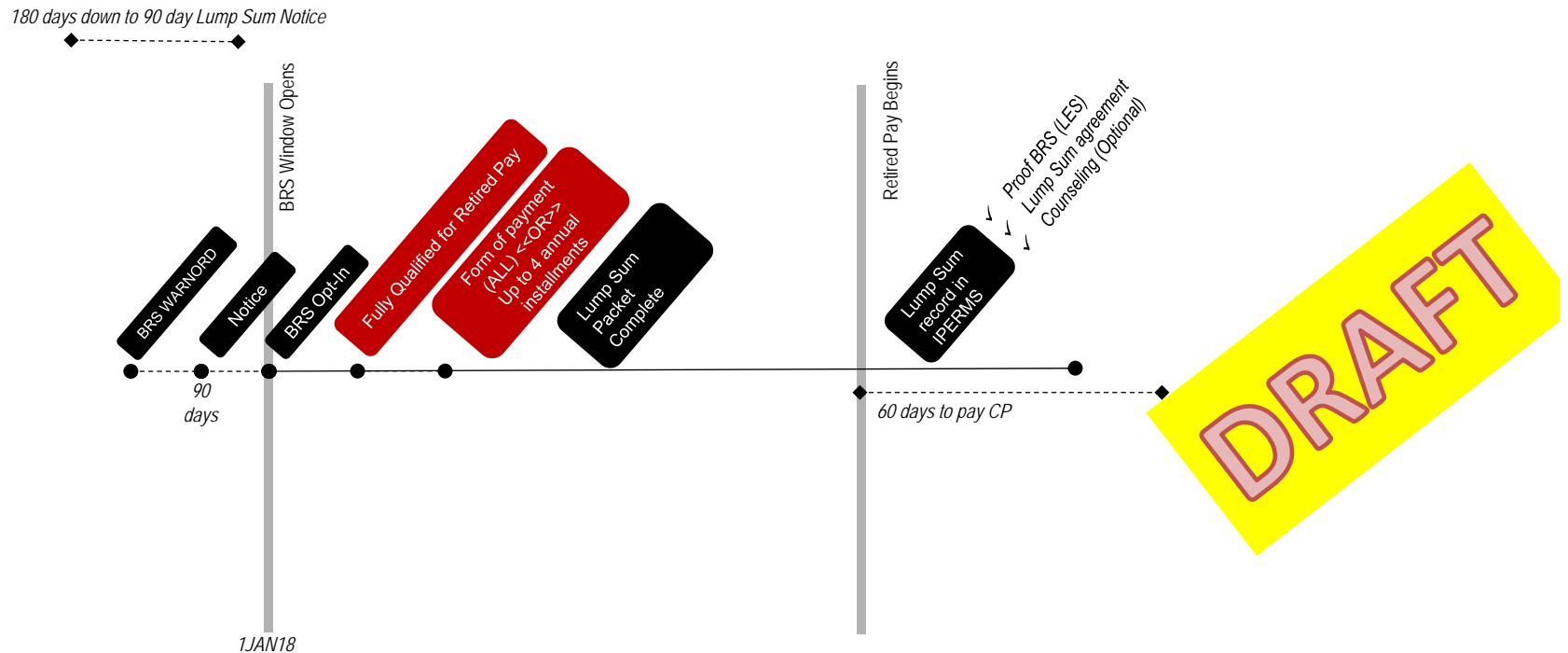
- BRS Eligible List scrub**
- WARNORD CP Population
  - CP process for 1<sup>st</sup> QTR CP takers
  - GIMS users informed/trained
- WARNORD Lump Sum
  - ID any potential takers and have conference calls
- RSP Soldiers attending AIT in 2018 need to take Opt-In Course at State
- Counseling Forms?

**BACKUP**

# BRS Continuation Pay Data Flow



# BRS Lump Sum (2018) POAM



- ✓ Lump sum only applies to Soldiers who are in BRS
- ✓ Beware of BRS Opt-in to get lump sum (we will deal with the packet directly (DFAS, HQDA, NGB, STATE))

**Terminally ill Soldiers:** Current law may entice BRS Opt-In, retirement, Lump sum, SBP activity in rush to get it done before Soldier dies.