

# RETIRED PUBLIC SAFETY OFFICER NOTICE

A new, optional provision of the Pension Protection Act of 2006, allows qualified public safety officers to elect to subtract a total of \$3,000 annually from their gross income for retirement plan distributions used to pay for accident, health or long-term care insurance premiums. These distributions may be excluded from gross income if they come from an eligible governmental retirement plan (such as a 401(a), 403(b) or 457(b) plan) that offers this option. Distributions must be paid directly to an insurance company. Qualified health insurance premiums are premiums paid for coverage by an accident or health plan or qualified long-term care insurance contract for the participant, spouse, or dependent(s). Distributions to surviving spouses and dependents are not eligible for this tax exclusion.

## WHO IS AN ELIGIBLE PUBLIC SAFETY OFFICER?

For the purposes of this provision, a public safety officer is defined by federal—not state—law. A public safety officer is defined in federal laws as an individual serving in a public agency in an official capacity, with or without compensation, including:

- Professional firefighters
- Individuals involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws (including juvenile delinquency), including, but not limited to police, corrections, probation, parole, and judicial officers
- Officially recognized or designated public employee members of a rescue squad or ambulance crew
- Officially recognized or designated members of a legally organized volunteer fire department
- Officially recognized or designated chaplains of volunteer fire departments, fire departments, and police departments

Eligibility is also determined by employment status. To receive the tax benefit, a public safety officer must be severed from employment due to disability or attainment of the normal retirement age of 55. Further, the participant must have been serving as a public safety officer at the time of retirement or disability. Benefits attributable to service other than as a public safety officer qualifies for favorable tax treatment provided the participant severs from employment as a public safety officer because of retirement or disability with the employer maintaining the eligible governmental plan.

## WHO IS NOT ELIGIBLE?

- Dispatchers, 911 operators, and administrative personnel are not eligible
- Public safety officers who retire before the normal retirement age of 55 and who are not disabled are not eligible

## HOW CAN ELIGIBLE PUBLIC SAFETY OFFICERS GET STARTED?

If you are interested in additional information or would like to set up insurance premiums for direct payment, please contact: TIAA at 1-800-842-2252

