



Retirement Check Information

Information for:
All Funds

This fact sheet contains useful information about your New Jersey State-administered retirement benefit allowance, including: online account information; how to report a lost or stolen check; direct deposit information; how to change your mailing address; and how to change your income tax withholding.

MEMBER BENEFITS ONLINE SYSTEM (MBOS)

Most of the information presented in this fact sheet that is specific to your retirement allowance can be accessed online at any time through the Member Benefits Online System (MBOS). Registration information for MBOS is available on the New Jersey Division of Pensions & Benefits (NJDPB) website at: www.nj.gov/treasury/pensions

Simply log on to MBOS and select the “Retired Account Information” button on your MBOS home page. From there, you will see your pension account information displayed.

LOST, MISSING, OR STOLEN CHECKS

Every month, we receive calls from retirees who have not received their pension checks. In most cases, the problem is just a delay in the delivery of the mail; you should allow 10 days from the date of the check before considering it lost. However, if you did receive your check and it was subsequently lost, stolen, or destroyed, contact us immediately.

To report a missing, lost, or stolen check, call our Office of Client Services at (609) 292-7524 or mail a

letter with your name, address, retirement number or last four digits of your Social Security number, and the check date to the New Jersey Division of Pensions & Benefits, Pension Payroll Section, P.O. Box 295, Trenton, NJ 08625-0295. You also can send an email to: pensions.nj@treas.nj.gov

The NJDPB will send you a letter of non-receipt for your signature; once the signed letter is returned, the NJDPB will begin to process a replacement check if a search finds that your check has not been cashed.

To avoid the possibility of a lost check altogether and guarantee the availability of your pension money by the first of the month, have your check directly deposited into your bank account by signing up for Electronic Funds Transfer (EFT).

ELECTRONIC FUNDS TRANSFER (EFT) SAVES TIME AND PREVENTS DELAYS

With EFT — also known as Direct Deposit — payments are normally deposited on the first day of the month, unless the first falls on a Saturday, Sunday, or State holiday.

EFT is mandatory for those who retired as of July 1, 2011, and thereafter. For those who retired prior to July 1, 2011, EFT is strongly recommended — it is an easy, convenient way to ensure that your monthly retirement check arrives automatically at your bank. Since deposits occur electronically, there is no need to wait for the check to arrive in the mail. The extra trip to the bank to cash your check or make a deposit also is eliminated. EFT can save you time, and your

money is available on time, every month. More than 90 percent of our retirees already use EFT.

It's easy to start EFT for your pension check. Choose a bank that provides EFT for its customers. Most banks now perform this service. There are two ways to sign up for EFT:

- Registered MBOS users can immediately sign up for EFT online. If you already receive your check electronically, you can also easily make changes to your EFT information via MBOS.
- You can complete an *Authorization for Direct Deposit* form and mail it to the NJDPB. The authorization form is available on our website or by contacting the NJDPB.

After you sign up for EFT, you will receive a *Statement of Allowances and Deductions* when your first monthly pension allowance is directly deposited to your account. Like a check stub, the *Statement of Allowances and Deductions* shows your monthly pension allowance, and includes all of the amounts credited to and deducted from your pension. You should keep your initial statement as a guide to what is added to or deducted from your retirement allowance. New statements are not mailed to EFT recipients unless there is a change in one of the following items:

- Your monthly retirement allowance;
- Your deductions or additional allowances;
- Your bank account; or
- Your Power of Attorney (POA) information (if applicable).

If any of the above changes occur, you will receive a statement for that month with a message that explains the change. Changes in allowances or deductions are marked with an asterisk (*) next to the dollar amount to highlight what has changed. All EFT participants also receive a December 1 statement that shows year-end totals.

A typical schedule for the *Statement of Allowances and Deductions* for all retirement allowance recipients is shown in the box below.

STATEMENTS OF ALLOWANCES AND DEDUCTIONS IN A TYPICAL YEAR

January 1 — Since federal tax withholding tables change January 1, most retirees who have federal tax withheld receive a January 1 statement showing any new withholding amount. If you have a health benefit deduction or receive Medicare Part B reimbursement, your January 1 statement will show any change in these amounts. EFT recipients would not otherwise receive a statement unless there was a change in the items listed above.

March 1 – November 1 — EFT recipients will not receive another statement until December 1, unless there are changes in the amount of your allowances or deductions; however, if you are a registered MBOS user, your statement can be viewed online anytime. For more information about MBOS, visit our website.

December 1 — The statement contains year-end totals that will allow you to prepare income taxes prior to the receipt of a *Form 1099-R* at the end of January. Please note that your income taxes are based solely on the payment date printed on the statements by the NJDPB (from January 1 to December 1), not the date in which you receive it via mail or EFT. This statement is issued to all EFT recipients each year.

UPDATING YOUR HOME ADDRESS

Informing the NJDPB of a change of address helps to ensure that you will receive your monthly pension allowance or *Statement of Allowances and Deductions* at your new address without delay. There are several ways to update your home address information:

- Write to New Jersey Division of Pensions & Benefits, Pension Payroll Section, P.O. Box 295, Trenton, NJ 08625-0295. Include your name, your retirement number or the last four digits of your Social Security number, both the old and new addresses, the date of the move, your daytime telephone number, and your signature;
- Call (609) 292-7524 for the Automated Information System. Please have your Social Security number and retirement number on hand;
- Registered MBOS users can change their address online via our website.

If you are enrolled in the State Health Benefits Program (SHBP) or School Employees Health Benefits Program (SEHBP) Retired Group coverage, notifying the NJDPB of your new address will also update your address information with the SHBP/SEHBP. However, SHBP or SEHBP members who do not receive a monthly pension check cannot use the online *Change of Address* form and must call or write to the Health Benefits Section of the NJDPB.

FEDERAL AND STATE TAX WITHHELD FROM YOUR PENSION CHECK

Federal Income Tax

The NJDPB is obligated to withhold federal income tax unless you file a *Form W-4P* instructing us to change the withholding amount. The default withholding status for federal income tax is married with three dependents, regardless of your actual marital status or number of dependents.

To change the amount of federal income tax withheld from your pension payment, use the *Form W-4P*. This form asks whether you are single or married, and the number of allowances you wish to claim. As the federal government requires, the federal tax tables are applied to the marital status and number of allowances that you indicate on the withholding form and the gross allowance you receive to determine how much tax is withheld. The “Federal Exemptions” box on your *Statement of Allowances and Deductions* shows the federal tax filing status you currently have on file. For example, M002 means you have indicated that you are married with two allowances, while S001 would mean single with one allowance.

If you wish to have more tax withheld than the tax tables require, there is an “Optional Additional Deductions” box on the form, in which you can enter the amount you want withheld in addition to the amount required by the tax tables. If you never entered a figure in this box previously, and you want to increase

your federal withholding tax by \$50, simply enter \$50. However, if you previously asked for an additional \$50 to be withheld, and you now want to increase that by \$20, you must enter \$70 in the additional amount box, since that amount will replace the \$50 amount you had previously requested.

If you are not sure if you previously requested optional additional deductions be withheld, you should contact the NJDPB to determine this — your *Statement of Allowances and Deductions* does not indicate if additional withholding is currently in effect.

New Jersey State Income Tax

New Jersey income tax withholding is voluntary, and none will be withheld unless you instruct us to do so. To adjust your New Jersey income tax withholding on *Form NJ-W-4P*, specify the dollar amount you want withheld each month. That figure will replace any figure you had previously requested.

Adjusting the Federal or State Income Tax Withheld From Your Pension Allowance

You can change your withholding information online through your MBOS account, or *Forms W-4P* and *NJ-W-4P* are available on our website.

Additional Tax Information and Forms

The NJDPB cannot offer tax advice. If you need specific advice on completing the federal *Form W-4P*, please call the IRS at 1-800-TAX-1040. For advice regarding *Form NJ-W-4P*, call the New Jersey Division of Taxation at (609) 292-6400. See the *Taxation of Retirement Benefits* Fact Sheet for more information about how your benefit is taxed.

This fact sheet has been produced and distributed by:

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For the hearing impaired: TRS 711 (609) 292-6683
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