



PERA

Public Employees
Retirement Association
of New Mexico

INVESTED IN TOMORROW.

A large, stylized orange sunburst or gear-like shape, similar to the PERA logo, serves as a background for the title. It has eight pointed segments radiating from a central white circle.

Retirement Kit



Congratulations!

After many years of public service, you are now considering retirement. We at PERA know this is an important moment in your life. The decisions you make now will have a lasting effect on your retirement years. PERA has worked to make our retirement process as smooth and straightforward as possible for our members. We have designed the process so that you can implement your retirement entirely by mail, unless there are unusual circumstances which require special counseling. You are always welcome, of course, to contact either of PERA's offices to discuss your situation personally with one of our staff members.

This retirement kit contains the information necessary to complete the retirement process. In the middle of the kit you will find explanations of the process and answers to various questions about PERA retirement benefits. At the end of the kit you will find the form that must be completed and mailed back to us along with your required personal documentation. It is possible that you may need other forms if you want to purchase service credit, have reciprocal service with the Educational Retirement Board or if you have circumstances other than the average retirement case. We have included the most frequently needed phone numbers for PERA and for various agencies that may be helpful to you in the course of processing your retirement.

We take great pleasure at PERA in working to ensure that public employees have a safe and secure pension in their retirement years. We know that you have worked long and hard to reach this point in your life. If we can do anything further to assist you in the retirement process or after you have retired, please do not hesitate to contact us.

Happy Retirement!

How Do I Retire From PERA?

Retirement Eligibility

Your effective date of retirement is the first day of the month after you have completed all of the following:

1. You meet the age and service credit requirements of the plan you are retiring from; and
2. Your retirement application is filed and complete, including all required documentation; and
3. You have terminated employment with all State retirement systems.

Your completed Application for Pension should be filed with PERA no earlier than six months, but no later than 60

calendar days, before your effective retirement date. PERA must receive all of the information listed below. If we do not receive your application and all of the required information before your selected retirement date, your retirement will be postponed to the first of the month following the date your application is complete.

By following the procedures outlined on this page, you will be able to receive your benefits at the earliest possible time. It should include the following documentation from you and your beneficiary:

Form and supporting documentation to be provided by retiring member:

1. *Application for Pension* form
2. Copy of your driver's license, birth, or baptismal certificate
3. Copy of your marriage certificate (if married)
4. Copy of your Social Security card
5. Court-endorsed copies of all your divorce decrees, marital settlement agreements, and any orders related to the division of retirement benefits.

Please note that every page of the documents you provide should have your social security or ID number on it. The *Application for Pension* form referenced above can be obtained by visiting the 'Forms' tab on PERA's website at www.nmpera.org and scrolling to the 'Kits' section, visiting either of PERA's offices or by calling PERA to request the forms be mailed to your address on file.

Your beneficiary's documentation:

- Copy of your beneficiary's driver's license, birth, or baptismal certificate
- Copy of your beneficiary's Social Security card

In addition, PERA will request the following information directly from your employer:

- Employment termination date
- Statement of final wages
- Statement of final PERA contributions

If PERA does not receive your application and all of the required information before your selected retirement date, your retirement will be postponed to the first of the month following the date your application is complete.

How Do I Retire From PERA?

Notes related to supporting documentation for proof of age:

In lieu of a driver's license, birth, or baptismal certificate, you and/or your beneficiary may prove your age by submitting a religious record of birth established before the age of 5, a current passport, or a current New Mexico Motor Vehicle Division issued identification card. Alternatively, you may use any two of the following documents showing the date of birth:

1. copy of a life or automobile insurance policy;
2. current voter registration or voter identification record;
3. tribal census record;
4. childhood immunization record made prior to age eighteen (18) years;
5. military record (such as a DD214), including a valid United States active-duty, retiree or reservist military identification card;
6. birth certificate of child showing age of parent;
7. physician's or midwife's record of birth;
8. immigration record;
9. naturalization record; or
10. Social Security record.

Notes related to supporting documentation for proof of marriage:

For a designated beneficiary to be identified as a spouse, a copy of a marriage certificate, other proof of marital status acceptable in a court of law or any two of the following documents showing marital status:

- (a) financial institution or bank record;
- (b) joint real estate deed or mortgage;
- (c) insurance policy.

Additionally, if you are retiring with reciprocal service credit from the New Mexico Educational Retirement Board (NMERB), you will need to complete the following forms:

- Authorization Agreement for Direct Deposit Services
- State and Federal Tax Deduction Form

The NMERB forms referenced above can be obtained by contacting PERA or by visiting www.erb.nm.gov. Completed

NMERB forms should be submitted with your Application for Pension to PERA. PERA will coordinate with NMERB on the retiree's behalf. Thereafter, reciprocal retirees should contact each State retirement system to request changes to demographic, tax and direct deposit information.

Changes after the submission of an Application for Pension and deferred retirement notes:

All changes to your Application for Pension must be made in writing and received by PERA before your effective PERA retirement date. Such changes may include a new effective retirement date, a different beneficiary or a different Form of Payment (if applicable).

For a deferred pension (leaving your contributions on account after terminating affiliated employment until you meet required age and service credit requirements), you should submit your complete Application for Pension at least 60 calendar days before your eligible birthdate.

When Will My Retirement Benefits Begin?

Your retirement becomes effective the first day of the month following: (1) receipt of all the required documentation mentioned on page two, (2) the determination by PERA staff that you meet retirement eligibility requirements, and (3) your termination of all PERA, Educational Retirement Board (ERB), Judicial Retirement Act (JRA), and Magistrate Retirement Act (MRA) related employment. Be sure to notify PERA in writing if your termination date changes from the date given on your *Application for Pension Form*. The first pension payment will be sent by direct deposit, on the last business day of your retirement month, to the financial institution you have indicated on the *PERA Direct Deposit*

Form. You will need to contact your financial institution about its policies for depositing the funds into your account. If you are retiring with reciprocal service from ERB your first payment will be sent by direct deposit from ERB. Thereafter, pension benefits will be direct deposited on the last working day of each month by each respective agency, if applicable. Please note that PERA will send a letter in conjunction with your first payment confirming the details of your deposit amount. Thereafter, you will only receive a letter confirming the details of your deposit each July once you become eligible for a Cost-of-Living Adjustment (COLA) payment.

Dates Are Important!

You should give some consideration to the date that you terminate your employment. Service is credited to the nearest month. If you began employment after the 16th of a month you will not receive service credit for that month. If you terminate employment before the 15th of a month you will not receive service credit for that month. If you need service credit for the month in which you terminate employment, we recommend that you target your termination date after the 16th of the month. For each month a member is classified as full-time, that member must be paid for at

least half of the member's normal monthly salary. Part-time members should contact PERA to inquire about service credit rules. Members are also encouraged to verify the date their insurance coverage ends as the member transitions from being an employee to becoming a retiree. If your employer participates in the New Mexico Retiree Health Care Authority (NMRHCA), you are encouraged to contact them 30- 60 days prior to your planned retirement date to comply with NMRHCA requirements.

When Am I Eligible to Retire?

Two Benefit TIERS

Legislation established two benefit tiers under each PERA coverage plan.

You are in TIER 1 if you:

- were hired for the first time on or before June 30, 2013; and
- had member contributions on account on June 30, 2013; or
- were retired as of June 30, 2013.

You are in TIER 2 if you:

- were hired for the first time on or after July 1, 2013; or
- refunded your employee contributions on or before June 30, 2013, and returned to work for a PERA affiliate on or after July 1, 2013.

Normal Retirement - PERA TIER 1

Members are eligible to retire under PERA when they meet the age and service credit requirement for the plan they participate in. The normal age and service credit retirement eligibility requirements for **TIER 1** members are listed below:

25-Year Retirement Plans

- State General Member Coverage Plan 3
- Juvenile Correctional Officer Coverage Plan 2
- Municipal General Member Coverage Plan 1, 2, 3 or 4
- Municipal Police Member Coverage Plan 1 or 2
- Municipal Fire Member Coverage Plan 1 or 2

Any age with 25 or more years of service credit; or
Age 60 or older with 20 or more years of service credit; or
Age 61 or older with 17 or more years of service credit; or
Age 62 or older with 14 or more years of service credit; or
Age 63 or older with 11 or more years of service credit; or
Age 64 or older with 8 or more years of service credit; or
Age 65 with 5 or more years of service credit.

25-Year Retirement Plans with a 20 Percent Service Credit Enhancement

- State Police Member and Adult Correctional Officer Member Coverage Plan 1
- Municipal Detention Officer Member Coverage Plan 1

Any age with 25 or more years of service credit; or
Age 60 or older with 20 or more years of service credit; or
Age 61 or older with 17 or more years of service credit; or
Age 62 or older with 14 or more years of service credit; or
Age 63 or older with 11 or more years of service credit; or
Age 64 or older with 8 or more years of service credit; or
Age 65 with 5 or more years of service credit.

When Am I Eligible to Retire?

Normal Retirement - PERA TIER 1 (continued)

20-Year Retirement Plans

- Municipal Police Member Coverage Plan 3, 4 or 5
- Municipal Fire Member Coverage Plan 3, 4 or 5

Any age with 20 or more years of service credit; or
Age 61 or older with 17 or more years of service credit; or
Age 62 or older with 14 or more years of service credit; or
Age 63 or older with 11 or more years of service credit; or
Age 64 or older with 8 or more years of service credit; or
Age 65 with 5 or more years of service credit.

Normal Retirement - PERA TIER 2

Members are eligible to retire from PERA when they meet the age and service credit requirement for the plan they participate in. The normal age and service credit retirement eligibility requirements for **TIER 2** members are listed below:

General Plan Members

- State General Member Coverage Plan 3
- Municipal General Member Coverage Plan 1, 2, 3, or 4

Rule of 85 (members must have five or more years of service credit; and sum of age at the time of retirement and years of service credit must equal 85); or
Age 65 with 5 or more years of service credit.

25-Year Retirement Plans

- State Police Member and Adult Correctional Officer Member Coverage Plan 1
- Juvenile Correctional Officer Member Coverage Plan 2
- Municipal Police Member Coverage Plan 1, 2, 3, 4, or 5
- Municipal Fire Member Coverage Plan 1, 2, 3, 4, or 5
- Municipal Detention Officer Member Coverage Plan 1
- State General Member Coverage Plan 3 - Peace Officers*

25 years of service credit at any age; or
Age 60 with 5 or more years of service credit.

* **“Peace officer”** means “any employee of the state with a duty to maintain public order or to make arrests for crimes, whether that duty extends to all crimes or is limited to specific crimes, and who is not specifically covered by another coverage plan.”

When Am I Eligible to Retire?

Normal Retirement - Judicial Plan

Judicial Retirement Act age and service credit eligibility requirements for an individual who initially became a member prior to July 1, 2005:

- Age 60 or older and fifteen or more years of service credit; or
- Age 65 years or older and fifteen or more years of service credit.

Judicial Retirement Act age and service credit eligibility requirements for an individual who initially became a member after June 30, 2005 but on or before June 30, 2014:

- Age 55 or older and sixteen or more years of service credit; or
- Age 65 years or older and five or more years of service credit.

Judicial Retirement Act age and service credit eligibility requirements for an individual who initially became a member on or after July 1, 2014:

- Age 60 or older and fifteen or more years of service credit; or
- Age 65 years or older and eight or more years of service credit.

Normal Retirement - Magistrate Plan

Magistrate Retirement Act age and service credit eligibility requirements for an individual who was a member on June 30, 2014:

- Any age and 24 years or more of service credit; or
- Age 60 or older and fifteen or more years of service credit; or
- Age 65 years or older and five or more years of service credit.

Magistrate Retirement Act age and service credit eligibility requirements for an individual who initially became a member on or after July 1, 2014:

- Any age with 24 years or more of service credit; or
- Age 60 or older with fifteen or more years of service credit; or
- Age 65 years or older and eight or more years of service credit.

Normal Retirement - State Legislator Plans

State legislator member coverage plan 1 age and service credit eligibility requirements for an individual who served terms of office that ended on or before December 31, 2002:

- Any age with 14 years or more of service credit; or
- Age 60 or older with twelve or more years of service credit; or
- Age 63 years or older with eleven or more years of service credit; or
- Age 64 years or older with 8 or more years of service credit; or
- Age 65 years or older and five or more years of service credit.

When Am I Eligible to Retire?

Normal Retirement - State Legislator Plans (continued)

State legislator member coverage plan 2 age and service credit eligibility requirements for an individual who served terms of office that ended after December 31, 2002:

- Any age with 10 years or more of service credit; or
- Age 65 or older with five or more years of service credit;

Normal Retirement - Volunteer Firefighters

Volunteer Firefighter Retirement Act age and service credit eligibility requirements:

- Age 55 or older with ten or more years of service credit*;

*Please note that Volunteer Firefighter benefits are determined based on years of service. If you have completed 10 or more years, but less than 25 years, you are eligible to receive \$125 per month. With 25 years or more, you are eligible to receive \$250 per month. You may continue as a Volunteer Firefighter after you retire, but you will not earn additional service credit.

Reciprocity, Deferred and Disability Retirement

The Reciprocity Act

Service credit earned under different state retirement systems (the Educational Retirement plan, Judicial Retirement plan and Magistrate Retirement plan) may be combined toward retirement eligibility and used to calculate pension benefits. The service credit earned under each system, however, will be calculated using the formula for that system. Because there may be different age and service requirements for each of the different plans and TIERS, you may not receive your combined pension amount when you retire from PERA. When you qualify to receive the reciprocal portion, the increase will be included in your pension payment.

PERA members with reciprocal service credit apply for and retire under the state system of their last employer. So, if you worked for a New Mexico Educational Retirement Board (NMERB) employer in the past and are now working for a PERA employer, you will retire under PERA.

New reciprocity retirees will receive a separate pension payment from PERA and NMERB. If you retire with combined PERA and NMERB service credit, the NMERB portion of your monthly benefit will be paid directly by NMERB. This means that reciprocity retirees will receive two direct deposits into their checking/banking account, one from PERA and one from NMERB, on the last business day of the month.

Whenever you contact PERA to verify your service credit, provide a retirement calculation or to purchase service credit, it is important to notify PERA of all service credit you may have. PERA can then contact NMERB to determine your eligibility for reciprocal service credit.

Deferred Retirement

If you leave employment and have earned the minimum number of years of service credit required for normal retirement, but have not yet reached the minimum age needed to retire, you can leave your contributions on account with PERA. When you have met the age requirement for your TIER and last plan of membership, you will be eligible to draw a deferred pension benefit.

For example, a **TIER 1** State General Member who has 11 years of service credit and is 60 years of age would have to wait until age 63 to receive a deferred pension.

Another example includes a **TIER 2** Municipal General Member who has 11 years of service credit and is 60 years of age would have to wait until age 65 to receive a deferred pension.

Once you reach both the age and service credit requirements for normal retirement in your TIER of membership, you can apply for a benefit. Certain survivor and disability pension benefits are also available. (See Survivor Beneficiary information on page 10 and Disability Retirement on this page.).

Disability Retirement

PERA Duty and Non-Duty Disability benefits may be available. Please contact PERA's Death and Disability Division at (800) 342-3422 for more information as additional documentation is required.

What is My Pension Based On?

Three factors determine your Form of Payment Option A benefit amount:

1. **Final Average Salary (FAS)** - the monthly average of the highest 36 consecutive months of salary earned during the member's PERA career for a TIER 1 member, and the monthly average of the highest 60 consecutive months of salary earned during a member's PERA career for a TIER 2 member.
2. **Service Credit** - the years and months of service credit earned or purchased during a member's PERA career.
3. **Pension Factors** - the pension factor stated in the coverage plan, or plans, you belonged to during your PERA career. Generally, PERA members can receive up to 90 percent of their final average salary in most coverage plans. The chart below shows how this is related to your service plan.

Pension Factor and Maximum Pension

<i>Plan</i>	<i>Pension Factor</i>		<i>Maximum Pension % of FAS</i>
State Plans:	TIER 1	TIER 2	
Plan 2 (after 10/87)	2.5%	N/A	75%
Plan 3 (after 12/96)	3.0%	2.5%	100%
Police, Adult Correctional Officers, and Probation and Parole Officer Plan 1	3.0%	3.0%	100%
Plan 3 - Peace Officer	N/A	3.0%	100%
Juvenile Correctional Officer Plan 1	2.5%	N/A	100%
Juvenile Correctional Officer Plan 2	3.0%	3.0%	100%
Municipal Plans:	TIER 1	TIER 2	
Plan 1	2.0%	2.0%	100%
Plan 2	2.5%	2.0%	100%
Plan 3 (closed to employers 6/95)	3.0%	2.5%	100%
Plan 4 (closed to employers 6/00)	3.0%	2.5%	100%
Police Plan 1	2.0%	2.0%	100%
Police Plan 2	2.5%	2.0%	100%
Police Plan 3	2.5%	2.0%	100%
Police Plan 4	3.0%	2.5%	100%
Police Plan 5	3.5%	3.0%	100%
Fire Plan 1	2.0%	2.0%	100%
Fire Plan 2	2.5%	2.0%	100%
Fire Plan 3	2.5%	2.0%	100%
Fire Plan 4	3.0%	2.5%	100%
Fire Plan 5	3.5%	3.0%	100%
Detention Officer Plan 1	3.0%	3.0%	100%

NOTE: Legislators, Judges, Magistrates and Volunteer Firefighters have different benefit calculation provisions. Please request information on these plans from PERA.

How Is My Benefit Calculated?

The base monthly benefit PERA provides is based on a formula, not on the dollar amount a member or the member's employer contributed during the course of the member's career.

$$\text{Years of Service Credit} \times \text{Pension Factor(s)} \times \text{Final Average Salary} = \text{Gross Monthly Benefit}$$

Example: For a TIER 1 member retiring with 25 years of service credit under State General Member Coverage Plan 3 with a final average monthly salary of \$3,500.

25	X	3%	= 75%	X	\$3,500	= \$2,625
(years of service credit)		(pension factor(s))	(% of final average salary)		(final average salary)	(gross monthly benefit)

Years of Service Credit

The years and months of service credit earned or purchased during a member's career.

Pension Factor

The pension factor is stated in the coverage plan, or plans, a member belongs to during the member's career. Generally, PERA members can earn up to 100 percent of their final average salary in most coverage plans.

Final Average Salary

For **TIER 1** members Final Average Salary (FAS) is the average of the highest 36 consecutive months of salary earned during your PERA career. For **TIER 2** members Final Average Salary (FAS) is the average of the highest 60 consecutive months of salary earned during your PERA career.

Monthly Benefit

This amount is your benefit under Form of Payment Option A, straight life annuity that provides a monthly benefit for your lifetime only.

If you choose to name a beneficiary to receive a pension for their lifetime after your death, the monthly benefit you receive will be reduced because the benefit is calculated to pay a benefit over your lifetime and the lifetime of your beneficiary. The pension benefit reduction is dependent on your age and the age of your beneficiary.

Blended Pension

The calculation for **service credit earned through June 30, 2013** remains the same:

- Service credit earned under one coverage plan will be calculated at the highest pension factor for that plan.
- When you have earned three or more years of service credit under each of two or more coverage plans with different pension factors, your pension is calculated using the highest pension factor applicable.

If you earn **service credit on or after July 1, 2013** the pension factor depends on your coverage plan. If you worked for the same employer under the same plan, the pension factor is the factor of that plan.

If you worked for more than one PERA-affiliated employer and the pension factor was the same for each coverage plan, that factor applies.

For example, as a **TIER 1** member you worked under State General Member Plan 3 (3 percent pension factor) and later worked for an employer covered by Municipal General Member Plan 4 (3 percent pension factor), all of your service credit would be calculated at 3 percent.

If you worked for PERA-affiliated employers with different pension factors after July 1, 2013, you will have a blended pension.

For example, If you are a **TIER 1** Municipal General Member with a minimum of three (3) years of service credit in Plan 3 (3 percent pension factor), earned on or before

How Can I Estimate My Pension Amount?

Blended Pension (continued)

June 30, 2013, and after July 1, 2013 you move to an employer belonging to Municipal General Member Plan 2 (2.5 percent pension factor), all of your service credit earned under Municipal General Member Plan 3 will have a 3 percent pension factor and all of your service credit under Municipal General Member Plan 2 will have a 2.5 percent pension factor.

Service Credit Verification and Benefit Estimates

By request, PERA will audit your account to verify service credit. If you are within three years of retirement eligibility,

you may request a benefit estimate. When auditing your account or preparing a benefit estimate, PERA staff also determines the pension factor(s) that will be used to calculate your monthly pension benefit. Requests for a benefit estimate must be in writing and may take up to 60 business days to complete, depending on the audit complexity of your file.

Whenever you contact PERA to verify your service credit, provide a retirement calculation or to purchase service credit, it is important to notify PERA of all service credit you may have including non-refunded service credit earned with the Educational Retirement Board (ERB). PERA will then contact ERB to determine your eligibility for reciprocal service credit.

For your convenience a *PERA Request* form is included on page 27 of this retirement kit.

Benefits Estimate Sample - Blended Pension

		Sample Calculation	Your Calculation
A.	Plan maximum	100%	
B.	Pension Factor – Part 1	3%	
C.	Years of Service - Part 1	15	
D.	Multiply B x C	45%	
E.	Pension Factor – Part 2	2.5%	
F.	Years of Service - Part 2	10	
G.	Multiply E x F	25%	
H.	Add D and G	70%	
I.	Final Average Salary	\$2,544.00	
J.	Use the smaller of Line A or Line H	70%	
K.	Multiply I x J	\$1,780.80	
L.	Monthly Pension Benefit Form of Payment Option A	\$1,780.80	

Block L is your estimated gross monthly pension benefit under Form of Payment Option A based on the factors you have entered. While this worksheet gives you a general

idea of your monthly pension, you should not base your decision to retire solely on this estimate because factors may exist which cause the estimate to be inaccurate.

Form of Payment Options

When you apply for retirement with PERA, you must choose how you want to be paid. The Form of Payment Option you choose determines whether a benefit will be provided to a beneficiary after your death. If you want to provide a benefit for someone after you die, your monthly pension amount will be reduced. The reduced pension amount depends upon the Form of Payment Option you choose, your age and the age of the survivor beneficiary you designate.

PERA uses your age nearest retirement. If you are 55 years and six months old at the time you retire, PERA will calculate your age as 56 years. Regardless of which Form of Payment Option you choose, a benefit payment is payable to you for your lifetime. The descriptions of the four Form of Payment Options are as follows:

Form of Payment Option A - Straight Life Option

Provides a monthly payment to you for your lifetime. You receive the maximum allowable retirement benefit under your coverage plan, which provides a monthly benefit for your lifetime only. All payments stop on the first day of the month following your death. A one-time lump sum refund of unpaid member contributions and interest will be issued at the time of your death to the designated refund beneficiary on account with PERA.

Form of Payment Option B - Joint Survivor Option (100%)

Provides a monthly payment to you for your lifetime. Upon your death, your beneficiary will receive the same amount for the rest of his or her life. The benefit amount is based on your age and the age of your beneficiary at the time of retirement. This Form of Payment Option amount is less than the amount under Form of Payment Option A because your monthly retirement benefit is reduced to provide the same benefit to your survivor beneficiary. If your survivor beneficiary dies before you, your retirement benefit adjusts to the Form of Payment Option A amount when PERA is notified and receives your beneficiary's death certificate. You may choose only one person to be your survivor beneficiary with this Form of Payment Option. If you name a beneficiary other than your spouse who is more than 10 years younger than you, the percentage paid to the beneficiary will be **adjusted to meet Internal Revenue Code requirements.**

Form of Payment Option C - Joint Survivor Option (50%)

Provides a monthly payment to you for your lifetime. Upon your death, your beneficiary will receive one-half the amount for the rest of his or her life. Your pension benefit amount is less than Form of Payment Option A, but more than Form of Payment Option B and is based on your age and the age of your beneficiary at the time of retirement. This is because your monthly retirement benefit is reduced to provide half of your benefit amount to your survivor beneficiary. If your survivor beneficiary dies before you, your retirement benefit adjusts to the Form of Payment Option A amount when PERA is notified and receives your beneficiary's death certificate. You may choose only one person to be your survivor beneficiary with this Form of Payment Option C.

Form of Payment Option D - Temporary Joint Survivor Option (for retirees with children under age 25)

Provides a monthly benefit to you for your lifetime. When you die, the same total amount is shared by your eligible children until the last child reaches age 25. Once a child turns 25, his or her benefit stops. Your benefit amount is less than Form of Payment Option A based on your age and the age of your youngest eligible child at the time of retirement. Your benefit amount will change to the amount that would have been paid under Form of Payment Option A once the youngest eligible child reaches the age of 25 provided that you are still living.

Note – In all four Form of Payment Options, you will receive at least all of the contributions you paid into your account and the interest the account has earned. If you die before your contributions and interest have been paid in benefits and no survivor pension is payable, or if you and your survivor beneficiary both die before your contributions and interest have been paid in benefits, the member contributions and interest remaining in your account will be paid to your refund beneficiary or your estate.

Form of Payment Option Selection and Changes

Selecting a Form of Payment

You select a Form of Payment Option at the time of retirement. This election must be made on PERA's *Application for Pension* and requires either notarized spousal consent or notarized affirmation of marital status if you are not married at the time of retirement.

If you do not select a Form of Payment Option at retirement, PERA will begin making payments under:

- Form of Payment Option A if you are not married at the time of retirement; or
- Form of Payment Option C with your spouse as survivor beneficiary if you are married at the time of retirement.

Form of Payment Changes

The form of payment may not be changed after the date the first pension payment is made, except in the following instances:

- If you are reemployed by a PERA employer, your pension is suspended by law, except for limited exclusions. If you become a regular, contributing employee again and work and make contributions for a minimum of three years, you can re-retire and choose a new form of payment and/or a new survivor beneficiary.
- If you selected Form of Payment B or C with your spouse as your beneficiary and your spouse provides a notarized, written statement relinquishing his/her designation as survivor beneficiary, you can designate a new beneficiary under Form of Payment B or C.
- If you selected Form of Payment B or C at the time of retirement, but due to the death of or divorce from your originally designated beneficiary, a member can designate a new beneficiary under Form of Payment B or C. This option requires that the retire receive a minimum of one month's pension under Form of Payment A prior to electing a new beneficiary and/or form of payment. This option cannot be used to circumvent an existing, valid court order regarding a division of your pension benefits.

- If you selected Form of Payment B or C and designated someone other than your spouse or your former spouse as beneficiary, you can select a new survivor beneficiary under Form of Payment B or C or revoke your previous beneficiary designation and receive your pension under Form of Payment A, provided your original beneficiary is still alive.

Beneficiary Deselection

Unless prohibited by court order, you are allowed a one-time irrevocable option to change your survivor beneficiary after you retire if you originally selected Form of Payment Option B or C and meet one of the qualifications listed in the 'Form of Payment Changes' section on this page.

PERA will recalculate your pension using the original Form of Payment A pension amount at the time you retired and, if applicable, will use your current age and the current age of the new survivor beneficiary to calculate your pension and the survivor beneficiary's pension under Forms of Payment B or C.

As a reminder, you may choose only one person to be your survivor beneficiary. If you name a survivor beneficiary other than your spouse who is more than 10 years younger than you at the time of designation, the percentage paid to the beneficiary will be adjusted to meet Internal Revenue Code requirements.

Provided you meet certain statutory requirements, the process for changing your Survivor Beneficiary post-retirement requires the following documentation. All pertinent information must be provided before a calculation will be provided.

- Contact PERA for the appropriate deselection form.
- Provide proof of age for new survivor beneficiary. See pages 4 - 5 of this retirement kit for acceptable proof-of-age documents.
- Submit a copy of the new beneficiary's social security card.
- Submit a check or money order for \$100 made payable to PERA.
- Submit a Spousal Consent Form (if applicable)
- Submit Divorce Documentation (if applicable).

Form of Payment Option Selection and Changes (continued)

Each time you request that PERA recalculate the benefit amount for a beneficiary, the charge is \$100 for each different survivor beneficiary you submit.

NOTE: The payment is not refundable even if you decide not to name a new beneficiary after you receive the calculation of pension benefit amounts under Forms of Payment B and C. The payment covers the cost of actuarially calculating the benefits and must be paid whether or not you decide to go forward with naming a new survivor beneficiary.

Allow PERA 30 to 45 business days to process and respond to your request. You will receive information on the survivor beneficiary amounts for new Forms of Payment B or C and an Agreement for Selecting a New Beneficiary/Option.

Return the completed form to PERA if you decide to name a new beneficiary or change the payment option. If the Agreement is received by PERA by the ninth day of the month, the revised pension payment will be effective for that month. If an Agreement is received after the ninth day of the month, the revised pension payment amount will be effective with the following month's pension benefit payment.

What Can Be Deducted From My Pension Payment?

Your estimated monthly benefit payment is provided in the pre-tax, pre-insurance (gross) form. PERA can withhold, with your written permission, federal tax, New Mexico state tax, and after-tax New Mexico Retiree Health Care Authority premiums. If you elect not to have any of these items withheld, it is your responsibility to make payment arrangements with the appropriate entity. Please note that PERA cannot provide guidance related to tax withholding for your PERA pension benefit.

PERA can also withhold, with the appropriate order, payments for tax levies, child support orders, or orders dividing retirement benefits.

If you move, you are required to update your address in writing with PERA, and if you move outside the state of New Mexico during retirement, it is important to notify PERA to stop withholding New Mexico state tax.

Cost-Of-Living Adjustments (COLAs)

Each July, PERA adjusts the gross benefit of all eligible retirees to include a Cost-of-Living Adjustment (COLA). The COLA is calculated only on benefit amounts paid for service credit earned under a Public Employees Retirement plan, the Magistrate Retirement plan or the Judicial Retirement plan.

Retirees with Educational Retirement Board (ERB) benefits will be notified separately of any COLA on the ERB portion of your retirement benefit.

COLA Amount

Eligible COLA recipients will receive a profit-share, compounding COLA based on PERA's funded status and investment returns. The profit-share COLA will be calculated using the following guidelines:

- PERA funded ratio less than 100%, COLAs up to 3%;
- PERA funded ratio over 100%, COLAs up to 5%;
- Ensures a minimum COLA of 0.5%.

COLA Eligibility

There is a **two** full-calendar year COLA eligibility period for members who retire under normal retirement:

A full-calendar year is January 1st through December 31st. Eligible COLA recipients receive a notification letter in July each year advising them of the increase in their pension payments.

If you retire due to a disability or if you are at least age 65 prior to your first COLA eligibility date, the COLA eligibility period is reduced to one full-calendar year. The COLA will be paid the July following the full-calendar year.

What if I Return to Work After I Retire?

The laws that govern retirees returning to work for a PERA affiliate have changed over the years. As of July 1, 2013, the following restrictions apply:

Retirees Hired Before June 30, 2010

Retirees who were re-employed before July 1, 2010, were grandfathered in under the laws in place when they were re-employed. Re-employed retirees will continue to receive both a pension and a salary. These reemployed retirees will be grandfathered in for as long as they continue working for the employer who hired them without a break in service.

Re-employed retirees are required to make employee contributions. The PERA affiliated employer also makes the required employer contribution. Employee and employer contributions made during re-employment are nonrefundable and are retained in the PERA Fund.

Retirees Hired on or After July 1, 2010

A retiree who returns to work with a PERA-affiliated employer on or after July 1, 2010, must suspend his/her pension.

If a retiree has completed a 12-month break in service from his or her retirement date, neither the re-employed retiree nor the employer makes PERA contributions and the re-employed retiree does not accrue service credit.

PERA Retirees Who Return to Work for a New Mexico Educational Retirement Board (NMERB) Entity

PERA retirees do have the option to suspend their PERA pension benefit and become a contributing member of NMERB. This action would allow the PERA member to accrue service credit tied to the employee contributions being withheld during employment, however the member is not eligible to draw a PERA pension at the same time he/she is accruing service credit. It is important to note in this situation, TIER status' between the retirement system are non-transferrable.

PERA retirees considering suspending pension benefits should contact NMERB for additional information about possible benefits and applicable conditions relating to potential future employment. As a reminder, members retire from the last system (PERA or NMERB) the member is employed with which may subject the member to different TIER and retirement eligibility requirements.

If the PERA retiree does not suspend his/her pension, the member will not accrue NMERB service credit or become eligible to draw a reciprocal (PERA & NMERB) pension benefit.

Providing Services as an Independent Contractor

Retirees may provide services to a PERA-covered employer as an independent contractor. A professional services agreement or contract must be submitted to PERA's Legal Division at least 15 working days before the effective date of the contract. PERA evaluates the contract to determine whether you are an "employee" or an "independent contractor." PERA utilizes the common-law control test in the Social Security Handbook to determine your status. In this evaluation, PERA considers whether or not the work you are contracting to perform is a continuation of a former employment relationship among many other factors.

A clear scope of work must be established in a professional services agreement. As an independent contractor, you must have your own state tax identification number and bill the employer directly. Compensation must be stated hourly or by a defined project. Independent contractors are not paid through the employer's payroll system and do not

Exemptions to Return to Work Provisions for PERA Retirees

The only retirees who are exempt, or excluded, from the return-to-work provisions are:

- A retired member employed by the legislature for legislative session work;
- A retired member employed temporarily as a precinct poll worker for a municipal election or an election covered by the Election Code;
- A retired member who is elected to serve a term of office and files a timely exclusion form; or
- A retired member who returns to work for a PERA-affiliated employer on a contract approved by PERA's Office of General Counsel. See below for additional information.

Note: Retirees who are elected to office are responsible for notifying their employer that they want to exempt themselves and for completing the *Employee Exclusion from PERA Membership PERA Retiree - Elected Official* form and ensuring that it is submitted to PERA within 30 calendar days of taking office. The exemption is for the elected official's term of office and must be filed for each additional term of office.

accrue employee benefits such as annual and sick leave or overtime. The professional services agreement must contain a release that holds the employer harmless of any liability or claims arising from the agreement.

Renewals, amendments and modifications to a previously approved post-retirement contract must also be submitted to PERA for evaluation at least 15 working days before the effective date of the renewal, amendment or modification.

You will be notified in writing of PERA's determination of whether you are an employee or an independent contractor. If PERA determines that you are an employee and you disagree with PERA, you have the right to appeal the determination.

Please contact the PERA Legal Division if you have questions about becoming an independent contractor after you retire at: (505) 476-9354.

What Should I Expect After I Submit My Retirement Paperwork to PERA?

After you submit your retirement paperwork to PERA, you should expect to receive the following series of letters:

- **An Acknowledgement Letter of Receipt:** This letter confirms PERA's receipt of your retirement paperwork, including your planned retirement date, and the Form of Payment Option you selected on your *Application for Pension*.
- **An Estimate of Benefits:** If you have not received an Estimate of Benefits in the six months prior to submitting your retirement kit, you will receive an updated Estimate of Benefits prior to your planned retirement date.
- **A Congratulatory Letter from PERA's Executive Director:** This letter arrives in conjunction with your first benefit payment from PERA which will be issued through direct deposit.
- **A Cost-of-Living Adjustment (COLA) Letter:** In July of the year you are eligible to receive a cost-of-living adjustment from PERA, and every July thereafter, you will receive a letter from PERA confirming your benefit payment amount, including COLAs.

RIO (Retirement Information Online) Self-Service Online Account Information for Retirees

A retiree has access to his or her PERA information online even after retirement. To create a user ID and password, visit PERA's website at: www.nmpera.org and click on the RIO Login button at the top of the page to get started.

Viewing Pension Benefit Information

After you have logged on to your online account, click on Pension Check Information, click on the year you want to view from the drop down list, then click on OK. To see the details of a specific benefit payment, find the month you want to view and click on Details located to the right. This will show all the information for that specific benefit payment.

Clicking on this option provides the current pension payment information. You can also review and print an *Income Verification Letter*. This is a useful tool for those retirees who need verification of their retiree income from PERA.

NOTE: Retirees can also download copies of 1099R forms for up to the past three (3) years and upload forms directly to PERA from their RIO Self Service account.

An Important Reminder

Members are encouraged to review their self-service account prior to retirement. If the member is using a work-related e-mail address to establish his or her account the member should update his or her self-service e-mail address to a personal e-mail address in the event the member or retiree needs to reset his or her password in the future.

PERA Retiree Newsletters

PERA publishes an edition of *La Voz* with information specifically for retirees and beneficiaries. *La Voz* is mailed to your home and posted on PERA's website up to twice annually. Any time there is important information concerning issues affecting PERA retirees such as Board elections and legislative changes, PERA will notify you in *La Voz* and with articles posted on the PERA website at: www.nmpera.org.

Since PERA mails the retiree edition of *La Voz* to you, it is important to keep PERA updated if you change your address. Please notify PERA of the address change by contacting PERA in writing.

Retirement Planning

Only you can decide the perfect time for you to retire. Your spouse, significant other, friends, family, co-workers, and employer may have an opinion on the topic, but only you can decide if you are ready mentally, physically and financially for retirement. There are some items to consider when planning for retirement.

Post-Retirement Insurance

PERA does not offer or provide post-retirement medical, dental, vision or life insurance. If you are employed with a PERA-affiliate who also participates in the New Mexico Retiree Health Care Authority (NMRHCA), you may have access to post-retirement insurance provided that you meet NMRHCA's requirements. Some of PERA's employers offer post-retirement insurance to their retiring employees. In some cases, you may be eligible to participate in Medicare. It is important to research your options before you commit to a retirement date to ensure you do not have a lapse in coverage. You need to have a realistic understanding of the cost of post-retirement insurance for planning purposes. If the cost is more than you anticipated, it may be time to research whether or not a spouse or significant other can cover you on his/her employer's insurance plan.

Social Security Benefits

PERA's pension benefits are not affected by Social Security benefits, however your Social Security benefit may be reduced if you receive a PERA benefit. It is important to note that some of PERA's members do not contribute to Social Security based on an agreement between their employer and the Social Security Administration. As part of your retirement planning, you are encouraged to learn how Social Security works, any benefits you may be eligible to apply for, any applicable age reductions, and the steps you need to take to begin receiving benefits. To learn more, please visit Social Security's website at www.socialsecurity.gov, call 1-800-772-1213 or visit a local Social Security office.

Financial Status

Have you considered:

- Your pre-retirement debt situation – Is your mortgage, any vehicles, and/or credit card debt paid in full? Can your spouse continue to make the payments if you pass away post-retirement?
- Your spouse/ significant other's finances – Does your spouse/ significant other have a retirement and/ or insurance benefits of his or her own? Can he/ she survive without your pension benefits?
- Your dependent children – Do you have any dependent children who rely on your income and/ or insurance benefits? Will you need to cover educational expenses for your dependent children post-retirement?
- Long-term care – Have you considered the expense tied to long-term care for either you, your spouse/ significant other or your parent(s)?
- A will or living trust – Do you have a will or living trust in place?

Additional Retirement Savings

The majority of PERA's affiliated employers offer additional ways to save money pre-retirement, including PERA's SmartSave Deferred Compensation Plan. It is never too late to save more money so that the next chapter of your life can be all that you hope and dream it will be.

Direct Deposit Schedule

Pension payments are issued on the last business day of the month by direct deposit to the account designated on your *PERA Direct Deposit* section of the *Application for Pension*. Future direct deposit schedules may be viewed by visiting <http://www.nmpera.org/for-retirees/direct-deposit-schedule>.

2024

Wednesday, January 31, 2024	Thursday, February 29, 2024	Friday, March 29, 2024
Tuesday, April 30, 2024	Friday, May 31, 2024	Friday, June 28, 2024
Wednesday, July 31, 2024	Friday, August 30, 2024	Monday, September 30, 2024
Thursday, October 31, 2024	Friday, November 29, 2024	Tuesday, December 31, 2024

2025

Friday, January 31, 2025	Friday, February 28, 2025	Monday, March 31, 2025
Wednesday, April 30, 2025	Friday, May 30, 2025	Monday, June 30, 2025
Thursday, July 31, 2025	Friday, August 29, 2025	Tuesday, September 30, 2025
Friday, October 31, 2025	Friday, November 28, 2025	Wednesday, December 31, 2025

2026

Friday, January 30, 2026	Friday, February 27, 2026	Tuesday, March 31, 2026
Thursday, April 30, 2026	Friday, May 29, 2026	Tuesday, June 30, 2026
Friday, July 31, 2026	Friday, August 28, 2026	Wednesday, September 30, 2026
Friday, October 30, 2026	Monday, November 30, 2026	Thursday, December 31, 2026

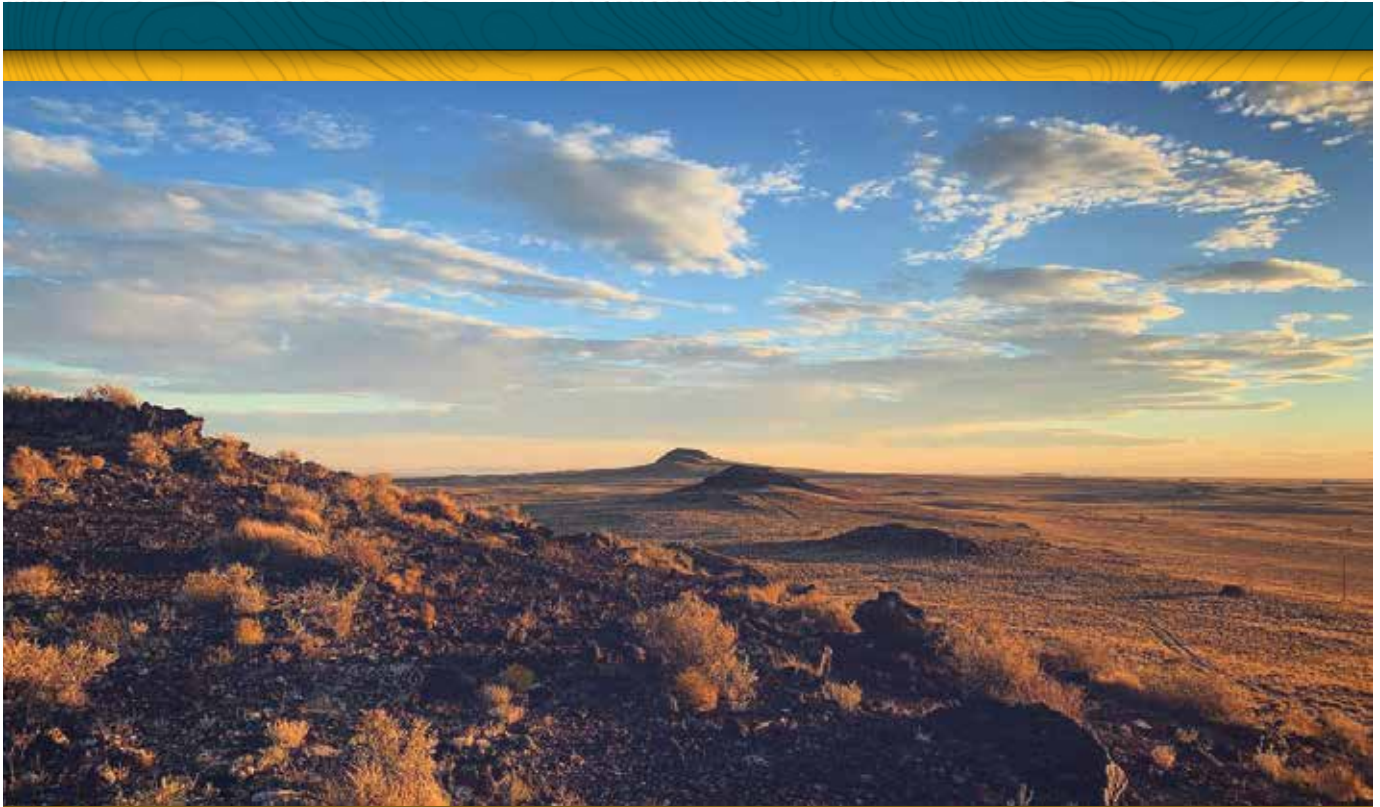
NOTE: If a retiree needs a future direct deposit to be sent to a different bank account, please complete a *PERA Direct Deposit* form available either online or by contacting PERA. If PERA receives the change in direct deposit information by the 15th of the month, the change will be effective for that month. If the information is received after the 15th of the month, the change will be effective the following month.

1099R Information

Retirees and beneficiaries receiving a pension payment from PERA will be issued a 1099R form each year. The 1099R is the form used to report the total amount and type of distributions made to a retiree or a beneficiary in a particular tax year to the IRS, similar to the W-2 form you received from your employer while you were working. PERA mails the 1099R forms on or before the last working day in January.

If you made PERA contributions after you paid taxes, these contributions are called non-deferred contributions

and are kept separate in your PERA account because you do not have to pay income tax on these contributions when you begin receiving your pension payments. The non-deferred contributions will be amortized over a specific number of years, reducing the taxable income you receive each year. The taxable amount and the non-taxable amount found in box five on your 1099R form should add up to the total gross distribution.



This is the easiest part of your retirement...
...because there's nothing you need to do!

Understanding the options for your
PERA SmartSave 457(b) Deferred Compensation Plan



You do not need to notify Voya® of your retirement or termination. Your employer can report your termination date to Voya, typically after you've received your final pay - including any annual leave pay (or sick leave pay, if applicable) due to you. You'll have access to your funds at that time.

You are not required to cash out your deferred compensation funds because you've terminated or retired. Though you are no longer contributing, your account balance remains actively invested and you'll continue to benefit from your investment earnings.

Benefits of staying in the Plan

You can retain your balance¹ in the Plan and you can continue to enjoy its tax-deferred growth potential. The Plan also offers you fiduciary oversight from the New Mexico PERA Board as well as lower cost institutional share class funds, with an average net fund expense ratio of 0.39%. There are no additional sales or load fees and no commissions are earned by Plan representatives. That could potentially make a significant difference in your account over time. You will also continue to have access to your account and Plan information, including retirement planning, the loan option, and account management tools through **PERASmartSave.voya.com** and the **Voya Retire** mobile app.

Then, when you need your savings, you're in control. You can take withdrawals at any time, or you can defer withdrawals until the year you reach age 72, when you will begin taking Required Minimum Distributions.

Rollover options

You can choose to roll your balance over² to another qualified plan (subject to that plan's rules and restrictions) or IRA.

You can initiate a rollover by logging into your Voya account at **PERASmartSave.Voya.com** and going to **Loans & Withdrawals**. Forms are also available on the homepage of **PERASmartSave.Voya.com**, under **Plan Information>Forms>Distribution Request Form**. You may also call **833-424-SAVE (7283)** to speak with a Customer Service Associate.

Distribution information

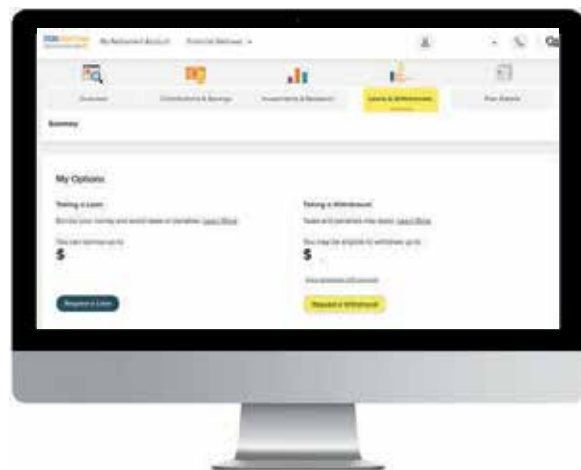
Distribution choices and rules can be complex. You are encouraged to talk with your tax advisor or financial planner before deciding how to take your distribution. Prior to making any distribution decisions, you can call the Voya Service Center and speak with a distribution specialist who will review your options, answer your questions, and process your distribution request.

Distribution options

Payment options for former employees with account balances in the Plan:

- ☀ Full lump sum distribution
- ☀ Partial distribution
- ☀ Installment payments (monthly, quarterly, semi-annual, or annual)

You can initiate a distribution by logging into your Voya account at **PERASmartSave.Voya.com** and going to **Loans & Withdrawals**. Forms are also available on the homepage of the **PERASmartSave.Voya.com**, under **Plan Information>Forms>Distribution Request Form**. You may also call **833-424-SAVE (7283)** to speak with a Customer Service Associate.



Required Minimum Distributions

If you still have a balance in the Plan in the year that you turn 72, you are required to take a Required Minimum Distribution (RMD) by April 1 of the following year. Voya automatically processes RMDs in December of each year. There is no additional paperwork to complete. Please visit **PERASmartSave.voya.com** for more information or to speak with a Voya Customer Service Associate (CSA).

Note: The rules governing distribution provisions may be different than the distribution rules in other qualified plans. A plan's withholding rules for distributions may apply to rollover money from other plans. Prior to rolling money over, you may want to check with the plan receiving the money about any changes that may affect the distribution options of the rolled-in money.



Direct Deposit/Automated Clearing House (ACH)

Voya does not require a voided check to set up your direct deposit. Instead, Voya sends a pre-note to your bank to validate the account for the first deposit. This process takes 7 calendar days. You can set up your banking information ahead of time by logging into your online account at **PERASmartSave.Voya.com**. Go to **My Profile** in the top right hand corner of your retirement account web page and choose **Personal Information** to add/edit your banking information. Forms are also available on the homepage of the **PERASmartSave.Voya.com**, under **Plan Information>Forms>Direct Deposit Agreement**. You may also call **833-424-SAVE (7283)** to speak with a Customer Service Associate.

If Direct Deposit/ACH is not set up, Voya will mail your distribution check to the address on record.

Vacation and/or Sick Leave Payouts

If you are eligible to receive a payout from your employer for unused vacation and/or sick leave, you can elect to rollover those funds into your PERA SmartSave Plan. This will allow you to utilize these funds later at the income tax bracket to which you are subject as a retiree. You must complete a special form to initiate this benefit. Forms are available on the homepage of the **PERASmartSave.Voya.com**, under **Plan Information>Forms>Accrual Deferral Form**. More detailed instructions are on the form.

¹ Your vested account balance includes any rollover sources and any outstanding loans.

² A rollover is not taxable to you until you take payment from that institution.

³ Distributions from the Plans will be subject to 20% federal tax withholding. If you are under age 59½, you will have to pay the 10% additional income tax on early distributions on any payment on non 457(b) rollover funds.

Special Provision for Retired Public Safety Officers

As part of the Pension Protection Act of 2006, eligible public safety retirees may lower their taxable income by paying qualified health premiums up to \$3000 directly from your 457b Deferred Compensation Plan. Eligible public safety retirees include those who worked as: an individual 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; a professional firefighter; an officially recognized or designated public employee member of a rescue squad or ambulance crew; an officially recognized or designated member of a legally organized volunteer fire department; and an officially recognized or designated chaplain of a volunteer fire department, fire department, or police department.

You must complete a special form to initiate this benefit. Forms are available on the homepage of the **PERASmartSave.Voya.com**, under **Plan Information>Forms>Eligible Retired Public Safety Officers Special Election Form**. More detailed instructions are on the form.

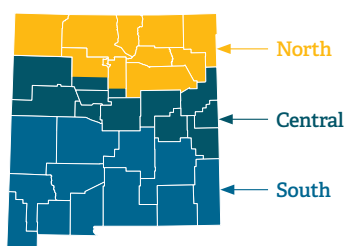
Things to Consider

Most transaction requests that are received in good order process within 3-5 working days – which means funds leave your account at that time. You then should allow time for ACH (direct deposit) and/or USPS mail for your funds to physically reach you.

If you have questions about how your new retired status may affect your current investment allocations, there are many retirement planning and investment advice tools available to you in your Voya account. If you'd rather speak to a live person, you can call **1-833-424-SAVE (7283)** to inquire about the various investment education options; or you can always connect with your local Plan representatives.*

- 📍 **Northern NM** | Peter Rappmund | (480) 877-2104
Peter.Rappmund@voya.com
- 📍 **Central NM** | Paul Lium | (505) 699-8548
Paul.Lium@voya.com
- 📍 **Southern NM** | Ronnie Uribe
Ronnie.Uribe@voya.com

New Mexico



If you have questions or need assistance, Voya Customer Service Associates are available to help. They're available weekdays from 7 a.m. to 7 p.m., MT, excluding stock market holidays.



Phone - 833-424-SAVE (7283); 800-579-5708 (Hearing Impaired Number)

* Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, Inc., member SIPC.

This guide is a brief, non-technical description of certain provisions of the PERA SmartSave Deferred Compensation Plan. It is not intended to be a complete statement of Plan provisions. If a description in this summary differs from the Plan documents, the Plan documents prevail.

Plan administrative services are provided by Voya Institutional Plan Services, LLC (VIPS). VIPS is a member of the Voya® family of companies and is not affiliated with New Mexico PERA.

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PERA SmartSave
Deferred Compensation Plan 

PERA Contact Information - Santa Fe

Santa Fe Office

33 Plaza La Prensa
Santa Fe, NM 87507
(505) 476-9300 Voice
(505) 954-0370 Fax

Toll Free (800) 342-3422

website: www.nmpera.org

e-mail: pera-memberservices@state.nm.us

 @NMPERA  @NMPERA  @PERANEWMEXICO

 @NM PERA  @NMPERA

Business Hours

8:00 am- 5:00 pm

Monday - Friday

Closed on State Holidays

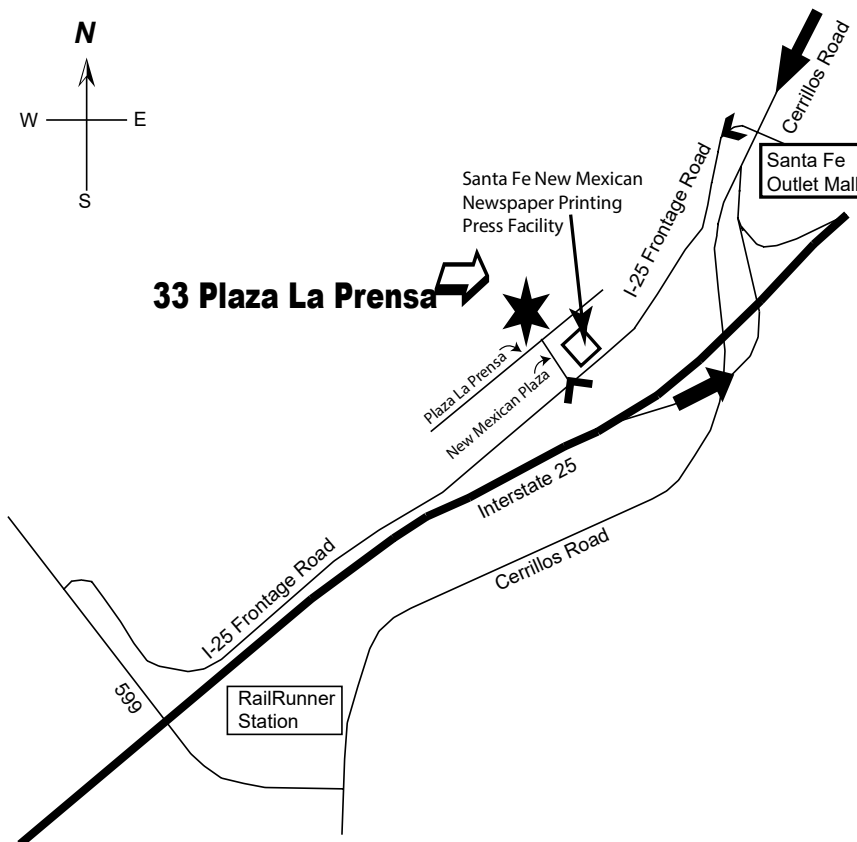
Directions to the PERA building in Santa Fe:

Directions from downtown Santa Fe:

- 1: Start out on CERRILLOS ROAD SOUTH heading away from downtown.
- 2: Go south on CERRILLOS Rd to the traffic light at the Santa Fe Outlet Mall.
- 3: Turn RIGHT onto WEST FRONTAGE ROAD/I-25 WEST FRONTAGE ROAD.
- 4: Turn RIGHT onto NEW MEXICAN PLAZA.
- 5: The PERA office is located directly ahead.
- 6: Park in the main parking lot and enter through the front door by the flag pole.

Directions from Albuquerque:

- 1: Start out going NORTH on I-25
- 2: Turn off at the CERRILLOS ROAD SOUTH exit.
- 3: Merge to the LEFT and turn LEFT onto WEST FRONTAGE ROAD/I-25 WEST FRONTAGE ROAD.
- 4: Turn RIGHT onto NEW MEXICAN PLAZA.
- 5: The PERA office is located directly ahead.
- 6: Park in the main parking lot and enter through the front door by the flag pole.



PERA Contact Information -Albuquerque

Albuquerque Office
6300 Jefferson St. NE, Suite 100
Albuquerque, NM 87109
(505) 383-6550 Voice
(505) 954-0370 Fax

Business Hours
8:00 am - 5:00 pm
Monday - Friday

Closed on State Holidays

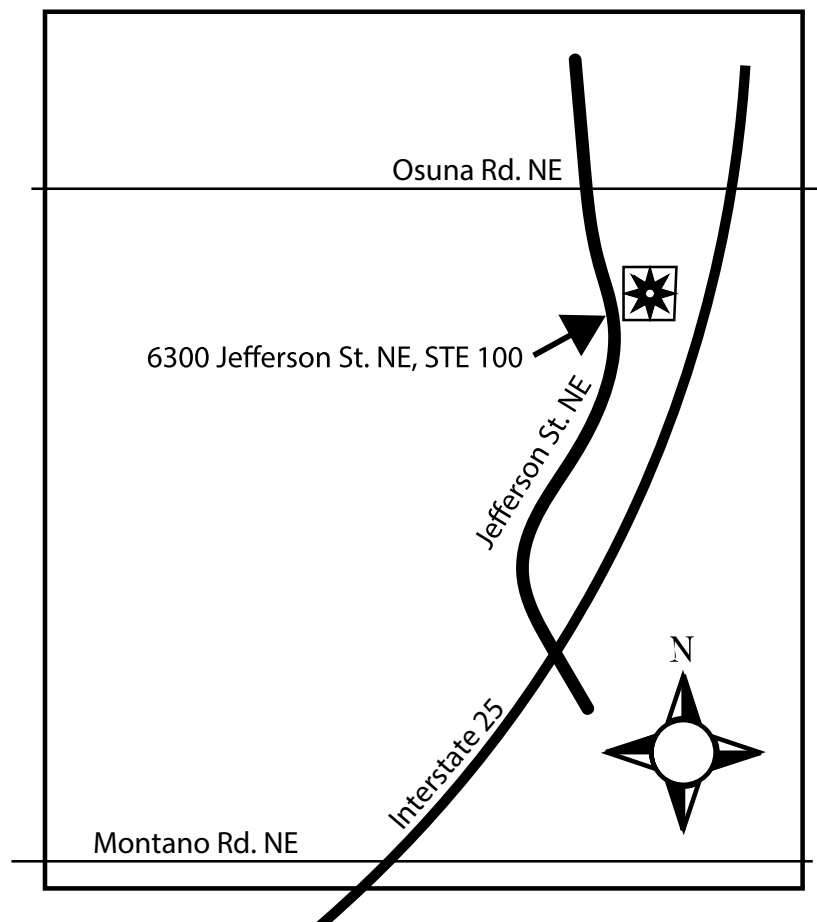
website: www.nmpera.org

e-mail: pera-albuquerque@state.nm.us



Directions to the PERA office in Albuquerque:

Follow I-25 to exit 229 (Jefferson St.). Take Jefferson St. NE heading north. Your destination will be on the east side of the street across from the Lowe's Home Improvement Call Center.



Who Do I Call?

... If I have questions about retiring, benefit estimates, purchasing military service, air time or withdrawn service, disability or survivor benefits?

PERA Member Services-Santa Fe	(505) 476-9300
PERA Albuquerque office	(505) 383-6550
Or toll free	(800) 342-3422

... If I have questions about deferred compensation?

Deferred Compensation	(833) 424-SAVE (7283)
Website	PERASmartSave.Voya.com

...If I have questions about requesting a retirement seminar in my city?

Outreach Bureau Chief - statewide	(505) 476-9388
E-mail	PERA-Training@state.nm.us

... If I have questions about retirement for public school and university employees?

Educational Retirement Board (ERB) - Santa Fe	(505) 827-8030
ERB Albuquerque Office	(505) 888-1560
Or toll free	(866) 691-2345
Website	www.erb.nm.gov

... If I have questions about retiree insurance?

New Mexico Retiree Health Care Authority - Santa Fe	(505) 476-7340
New Mexico Retiree Health Care Authority - Albuquerque	(505) 222-6400
Or toll free	(800) 233-2576
Website	www.nmrhca.org
E-mail	customerservice@state.nm.us

... If I have questions about social security?

Social Security	(800) 772-1213
Website	www.ssa.gov

... If I have questions about taxes?

<u>IRS</u>	(800) 829-1040
Website	www.irs.gov
<u>New Mexico Taxation and Revenue Department</u>	(505) 827-0700
Website	www.tax.newmexico.gov



PERA Request

33 Plaza La Prensa
Santa Fe, NM 87507
(505) 476-9300 phone
(505) 954-0370 fax
www.nmpera.org

Instructions: Please print or type in dark ink. This application must be completed in its entirety and returned to PERA via regular mail, fax, or e-mail to noreply.records@pera.nm.gov for processing.
PERA will provide two requests annually, visit our website for additional requests.

Section 1

Information About You

Social Security Number or PERA ID		Name (First, Middle Initial, Last)	
Date of Birth	Phone Number	E-mail Address	
Mailing Address		City	State Zip Code
Present Employer		Marital Status <input type="checkbox"/> Never Married <input type="checkbox"/> Married <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed	

Section 2

Information About Your Request

*Please check all that apply

☐ Send Retirement Kit - Retirement guidance and forms are also available on the PERA website (www.nmpera.org).

☐ Estimate of Benefits*: Requested for retirement on [up to 2 dates] _____

1. Beneficiary Name _____ Beneficiary SSN _____
Relationship to Member _____ Date of Birth _____

2. Reciprocity (check all plans that apply) ☐ PERA ☐ JRA ☐ MRA ☐ ERA/ERB

☐ Total Service Credit Verification (check all plans that apply) ☐ PERA ☐ JRA ☐ MRA ☐ ERA/ERB ☐ VFF

☐ Purchase of Withdrawn Service: ☐ Cost of All Years ☐ _____ Year(s) only
Requests for less than yearly increments will be done if Application for Pension has been submitted to PERA.

☐ Purchase of Air Time Service*

☐ Purchase of Military Service* (**Copy of DD214 must be attached with discharge status**)

☐ Purchase of Prior Service **Name of Employer with Prior Service** _____
PERA will contact the employer with the prior service with instructions on the information needed.

*Members can obtain an Estimate of Benefits and an estimate of the cost to purchase Air Time and/or Military Service by logging in to their PERA RIO Self-Service account at <https://perass.state.nm.us/SelfService/>. Allow 30-45 days to process your estimate, service credit verification or purchase agreement. Requests with ERB service credit may take additional time to process.

Signature of Member	Date
---------------------	------

September 2023

Application for Pension Instructions

If you are considering retirement, PERA requests that you complete and submit the Application for Pension along with all required signed documents no earlier than six (6) months and no later than sixty (60) calendar days from the effective date of retirement. Failure to complete and submit the Application for Pension and required signed documentation in its entirety may result in your retirement benefit being delayed.

Required Documentation

1. Copy of applicant's proof of age (e.g. driver's license or birth certificate).
2. Copy of beneficiary's proof of age (e.g. driver's license or birth certificate).
3. For any designated beneficiary to be identified as a spouse, a copy of the marriage certificate, or other acceptable proof of marital status is required.
4. Copy of applicant's Social Security card.
5. Copy of beneficiary's Social Security card.
6. Copy of **ALL** court-endorsed divorce decrees, marital settlement agreements, and any orders dividing your retirement.

Please refer to page 2 of the Retirement Kit for acceptable types of documents and further guidance.

Section 1

Information About You

1. Please fill out all demographic fields of this section.
2. Regardless of your number of divorces, PERA requires the review of **ALL** court-endorsed divorce documentation. If your divorce was PRIOR TO PERA membership please submit a copy of the first page of your Final Divorce Decree ONLY. If you remarried PRIOR TO PERA membership and are still married to the same person no prior divorce decrees are required.

Section 2

Information About Your Retirement

1. Include your last day of employment and your effective retirement date. Your effective retirement date will be the first day of the month following termination. Note: Your benefit will be paid once a month on the last working day of each month.
2. Please indicate if you earned service credit with any schools, colleges or universities in New Mexico by checking the Educational Retirement Board (ERA/ERB) box. This will allow PERA staff to contact ERB to verify your service credit. If you have served as a Senator or Representative in the New Mexico Legislature, please mark the Legislative box.

Section 3

Information About Your Form of Payment Options

1. Carefully review the description of each Form of Payment Option on page 14 of the Retirement Kit.
2. Limited options for changing your Form of Payment may exist. Please review pages 15 and 16 of the PERA Retirement Kit for additional information.
3. Please select one of the Form of Payment Options.

Section 4

Information About Your Refund or Survivor Beneficiary (Form of Payment Option A, B, C, & D)

1. If you chose Form of Payment Option A, please include your refund beneficiary information in this section. If no refund beneficiary designation is on record, any remaining employee contributions on account will be refunded to your estate.
2. If you choose a Form of Payment Option that provides for survivor benefits and your beneficiary dies, your pension will be changed to Form of Payment Option A following the receipt of your beneficiary's death certificate. In this case, you will have a one-time irrevocable option to name a new beneficiary.
3. If there is a court order that affects your benefits please contact PERA.
4. All retirees who choose a Form of Payment Option that provides for survivor benefits have a one-time irrevocable option to change their beneficiary under the same Form of Payment Option or move up to Form of Payment Option A.
5. If Form of Payment Option D is chosen, you must provide proof of age and a copy of a Social Security card for each child under the age of 25.

Section 5

Information About an Organization or Entity as a Refund Beneficiary (Form of Payment Option A Only)

1. In lieu of Section 4, if you choose Form of Payment Option A, please include the named organization's information. Upon your death, if the total amount of payments received is less than your total employee contributions, the difference will be refunded to your refund beneficiary (Section 4) or the organization specified in this section. If no refund beneficiary designation is on record, any employee contributions will be refunded to your estate.

Section 6

Information About Your Marital Status

1. This section affirms to PERA if you are currently married or not married.
2. If you are not married please fill out the left-hand section. If you are married, please fill out the right-hand section.
3. Must be signed in the presence of a Notary.

Section 7

Information About Your Notary

1. This section will need to be filled out by a Notary. The Notary's stamp must be visible.
2. No correction fluid will be allowed on this section.

Section 8

Information About Your Financial Institution

1. Please indicate the financial institution you would like your direct deposit to be routed to.
2. You may only have ONE account for your direct deposit. PERA cannot split your benefit.
3. You must attach a voided check or a completed direct deposit form from your financial institution. Please DO NOT include a copy of a direct deposit slip.

Section 9

Information About Your Tax Withholding

NEW MEXICO STATE INCOME TAX:

1. Box 1: Check this box if you do not want New Mexico state income tax deducted from your PERA retirement benefit. If you move outside the state of New Mexico, you should complete a new PERA Tax Deduction Form and check this box. PERA can only withhold New Mexico state income tax and federal income tax. If you move to a state outside of New Mexico that has an income tax, you must pay this income tax directly to the income tax department for that state.
2. Box 2: Check this box if you would like the amount of withholding to be based on the New Mexico state withholding tax tables. Additionally, please select the filing status for the tax tables. PERA uses the most current New Mexico withholding tax rates. These rates generally change as of January 1 of each year. Even if you do not change your tax withholdings, the amount withheld from your pension payment might change due to a change in the tax rate.
3. Box 3: Check this box if you would like the amount of withholding to be based on the New Mexico state withholding tax tables and an additional amount withheld. If you select this box, please also indicate your filing status for the tax table in Box 2. Indicate the additional amount you want withheld in the space next to the dollar sign.
4. Box 4: Check this box if you would like a flat dollar amount withheld for New Mexico state income tax. Indicate the amount you want withheld in the space next to the dollar sign. This amount must be an exact dollar amount and will not change even if the tax rate changes. PERA cannot accept a percentage in Box 4.

FEDERAL INCOME TAX:

1. Complete IRS Form W-4P to have PERA withhold the correct amount of federal income tax withheld from your pension payment. Use the General Instructions provided by the IRS to help guide you on how to fill out the form. Information about the IRS Form W-4P may be obtained at: [About Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments | Internal Revenue Service \(irs.gov\)](#). If you need assistance in determining which tax withholding selections to make, please consult with a professional tax advisor or visit the Internal Revenue Service website.

2. IRS Form W-4P contains 5 steps. Step 1 (name, address, social security number (SSN), and filing status) and a signature in Step 5 are **mandatory**. Only complete Steps 2, 3, and/or 4 if relevant to your personal situation. Steps 2 and 4 show adjustments that affect withholding calculations.

You can choose not to have federal income tax withheld from your payments by writing “No Withholding” on the W-4P in the space below Step 4(c). Please note that if you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. To change the amount of federal income tax withheld, you must submit a new IRS Form W-4P to PERA. PERA uses the most current federal tax rates. These rates generally change as of January 1 of each year. Even if you do not change your tax withholdings, the amount withheld from your payment might change due to a change in the tax rate.

Section 10

Your Acknowledgment

1. This section acknowledges your application for retirement benefits and that you understand the requirements for completion.
2. To ensure that you receive a benefit for the retirement date chosen, the completed and submitted Application for Pension along with the following required signed documents should be sent to PERA no earlier than six (6) months and no later than sixty (60) calendar days from the effective date of retirement. Failure to complete and submit the Application for Pension and required documentation to PERA in its entirety may result in your retirement benefit being delayed. The completed Application for Pension and required documentation must be filed with PERA no later than the 15th business day on the last working day of the month prior to the selected date of retirement in accordance with 28.0.700.10.A(1)NMAC.

Other Resources

New Mexico Retiree Health
Care Authority (NMRHCA)
(800) 233-2576
www.nmrhca.org

Educational Retirement
Board (ERB)
(866) 691-2345
www.erb.nm.gov

Social Security Admin-
istration (SSA)
(800) 772-1213
www.ssa.gov

Application for Pension

33 Plaza La Prensa
Santa Fe, NM 87507
(505) 476-9300 phone
(505) 954-0370 fax
www.nmpera.org

Instructions: Please print or type in dark ink. This application must be completed in its entirety and returned to PERA via regular mail, fax, or e-mail to noreply.records@pera.nm.gov for processing. Members are encouraged to review the Retirement Kit guidance. Failure to complete and submit this application and required documentation in its entirety may result in your retirement benefit being delayed.

Section 1

Information About You

Social Security Number or PERA ID		Name (First, Middle Initial, Last)	
Date of Birth	Phone Number	E-mail Address	
Mailing Address		City	State Zip Code
Marital Status: <input type="checkbox"/> Never Married <input type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced*			

*Note: PERA requires the review of **ALL** court-endorsed divorce documentation. If your divorce was prior to PERA membership, please submit a copy of the first page of your Final Divorce Decree ONLY. If you remarried PRIOR TO PERA membership and are still married to the same person no divorce decrees are required.

Section 2

Information About Your Retirement

Last PERA Affiliated Employer	Last Day of Employment	Effective Retirement Date (first day of a month)
Do you have service credit in the following plans? <input type="checkbox"/> Educational Retirement Board (ERA/ERB) <input type="checkbox"/> Legislative		

Section 3

Information About Your Form of Payment Options

Upon retirement you may select **ONE** of the following Form of Payment Options for a pension. PERA will provide you with an estimate of your benefits with the selected Form of Payment Option prior to retirement. Please refer to page 14 of the Retirement Kit for additional information related to the below Form of Payment Options.

- ☐ **Form of Payment A: Straight Life Option** - Provides a benefit to you for your lifetime. Payments stop upon death.
- ☐ **Form of Payment B: Joint Survivor Option** - Provides a benefit to you for your lifetime with the same amount continuing for life to your beneficiary upon your death. Full amount may be subject to Internal Revenue Service Code requirements.
- ☐ **Form of Payment C: Joint Survivor Option** - Provides a benefit to you for your lifetime with half of that amount continuing for life to your beneficiary upon your death.
- ☐ **Form of Payment D: Temporary Joint Survivor Option (Children)** - Temporary Joint Survivor Option (Children). Provides a benefit to you for life, with the same amount continuing to your eligible children until each child reaches age 25. Provide beneficiary information for each child.
- ☐ **Magistrate - Judicial:** Survivor pension paid according to each specific statute. Please indicate Form of Payment Option for PE.

Section 4

Information About Your Refund or Survivor Beneficiary (Form of Payment Option A, B, C & D)

Beneficiary's Name (First, Middle Initial, Last)	Date of Birth	Beneficiary's Social Security Number	Relationship
Beneficiary's Mailing Address	City	State Zip Code	Phone Number

Note: For option D provide information for each child to PERA separately.

Social Security Number

or

PERA ID

Section 5**Information About an Organization or Entity as a Refund Beneficiary
(Form of Payment Option A Only)** *Completed in lieu of Section 4

Organization Name		Organization Tax ID Number		
Organization Mailing Address	City	State	Zip Code	Phone Number

Section 6**Information About Your Marital Status**

*Must be signed in presence of a notary

For completion by applicant if not married at the time of retirement.I, _____, an applicant
Applicant's name (please print)

for PERA benefits, affirm that I am not currently married.

This does not include legal separation.

PERA Rule 2.80.700.10B(3) NMAC requires that the retiring member provides PERA with court endorsed copies of all divorce orders and marital settlement agreements entered after the first PERA membership application is filed, if the member has been previously married.

Signature of Applicant	Date
------------------------	------

For completion by applicant and applicant's spouse if married at the time of retirement.I, _____ spouse of _____
Spouse's name (please print) Applicant's name (please print)

consent to his/her decision to receive benefits under

Form of Payment Option _____ with _____
Beneficiary's name (please print)

named as survivor beneficiary. I understand that I will not be entitled to survivor benefits unless I have been listed on the final application for annuity as the beneficiary under either Form of Payment Option B, C or D.

Signature of Applicant's Spouse	Date
---------------------------------	------

Signature of Applicant	Date
------------------------	------

Section 7**Information About Your Notary**

State of _____)

) SS:

County of _____)

Signed and sworn to (or affirmed) before me by _____ & _____
Applicant's name (please print) Spouse's name, if married (please print)

on this _____ day of _____, _____.

My Commission Expires _____

Notary Public Telephone Number _____ - _____ - _____

Signature of Notary _____

*Notary stamp must be visible

or

Social Security Number

PERA ID

Section 8**Information About Your Financial Institution**☐

Savings

☐

Checking

<input type="text"/>	<input type="text"/>	<input type="text"/>
Name of Financial Institution	Routing Number	Account Number

**YOU MUST ATTACH A VOIDED CHECK OR A COMPLETED DIRECT DEPOSIT FORM FROM YOUR FINANCIAL INSTITUTION HERE
(PLEASE DO NOT INCLUDE A COPY OF A DIRECT DEPOSIT SLIP)**

**Section 9****Information About Your Tax Withholding****New Mexico State Income Tax Withholding Election:**☐**1. No withholding** - DO NOT withhold state income tax.☐**2. Tax table** - Withhold state income tax from each benefit payment according to my filing status indicated below:**Filing Status:** ☐ Married☐ Single or Married Filing Separately☐ Head of Household☐**3. Tax table plus extra amount** - Withhold state income tax from each benefit payment according to my filing status, plus the amount I have entered here \$_____☐**4. Flat dollar amount only** - Withhold \$_____ in state tax from each benefit payment.
(PERA will not accept a percentage. Only a flat dollar amount will be accepted.)**Federal Withholding Election:**

Complete IRS Form W-4P on the next three pages.

Withholding Certificate for Periodic Pension or Annuity Payments

OMB No. 1545-0074

2024

Give Form W-4P to the payer of your pension or annuity payments.

Step 1: Enter Personal Information	(a) First name and middle initial	Last name	(b) Social security number
	Address		
	City or town, state, and ZIP code		
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly or Qualifying surviving spouse <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See pages 2 and 3 for more information on each step, when to use the estimator at www.irs.gov/W4App, and how to elect to have no federal income tax withheld (if permitted).

Step 2: Income From a Job and/or Multiple Pensions/Annuities (Including a Spouse's Job/Pension/Annuity)	Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. See page 2 for examples on how to complete Step 2.
	Do only one of the following.
	(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4). If you or your spouse have self-employment income, use this option; or
	(b) Complete the items below.
	(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter “-0-” . . . \$ _____ (ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter “-0-” . . . \$ _____ (iii) Add the amounts from items (i) and (ii) and enter the total here . . . \$ _____
TIP: To be accurate, submit a new Form W-4P for all other pensions/annuities if you haven't updated your withholding since 2021 or this is a new pension/annuity that pays less than the other(s). Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019.	

Complete Steps 3–4(b) on this form only if (b)(i) is blank **and** this pension/annuity pays the most annually. Otherwise, do not complete Steps 3–4(b) on this form.

Step 3: Claim Dependent and Other Credits	If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):			
	Multiply the number of qualifying children under age 17 by \$2,000	\$ _____		
	Multiply the number of other dependents by \$500	\$ _____		
	Add other credits, such as foreign tax credit and education tax credits	\$ _____		
	Add the amounts for qualifying children, other dependents, and other credits and enter the total here		3 \$ _____	
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends		4(a) \$ _____	
	(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here		4(b) \$ _____	
	(c) Extra withholding. Enter any additional tax you want withheld from each payment		4(c) \$ _____	

Step 5: Sign Here	Your signature (This form is not valid unless you sign it.)	Date
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General Instructions

Section references are to the Internal Revenue Code.

Future developments. For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to www.irs.gov/FormW4P.

Purpose of form. Complete Form W-4P to have payers withhold the correct amount of federal income tax from your periodic pension, annuity (including commercial annuities), profit-sharing and stock bonus plan, or IRA payments. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (for example, annually, quarterly, or monthly) over a period of more than 1 year. Don't use Form W-4P for a nonperiodic payment (note that distributions from an IRA that are payable on demand are treated as nonperiodic payments) or an eligible rollover distribution (including a lump-sum pension payment). Instead, use Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, for these payments/distributions. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Choosing not to have income tax withheld. You can choose not to have federal income tax withheld from your payments by writing "No Withholding" on Form W-4P in the space below Step 4(c). Then, complete Steps 1a, 1b, and 5. Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its territories.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. If your tax situation changes, or you chose not to have federal income tax withheld and you now want withholding, you should submit a new Form W-4P.

When to use the estimator. Consider using the estimator at www.irs.gov/W4App if you:

1. Have social security, dividend, capital gain, or business income, or are subject to the Additional Medicare Tax or Net Investment Income Tax; or
2. Receive these payments or pension and annuity payments for only part of the year.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, use the estimator at www.irs.gov/W4App to figure the amount to have withheld.

Payments to nonresident aliens and foreign estates. Do not use Form W-4P. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, write "No Withholding" in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

Step 1(c). Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you have at least one of the following: income from a job, income from more than one pension/annuity, and/or a spouse (if married filing jointly) that receives income from a pension/annuity. The following instructions apply to you:

Example 1. Bob, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Bob also has a job that pays \$25,000 a year. Bob has no other pensions or annuities. Bob will enter \$25,000 in Step 2(b)(i) and in Step 2(b)(iii).

If Bob also has \$1,000 of interest income, which he entered on Form W-4, Step 4(a), then he will instead enter \$26,000 in Step 2(b)(i) and in Step 2(b)(iii). He will make no entries in Step 4(a) on this Form W-4P.

Example 2. Carol, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Carol does not have a job, but she also receives another pension for \$25,000 a year (which pays less annually than the \$50,000 pension). Carol will enter \$25,000 in Step 2(b)(ii) and in Step 2(b)(iii).

If Carol also has \$1,000 of interest income, then she will enter \$1,000 in Step 4(a) of this Form W-4P.

Example 3. Don, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Don does not have a job, but he receives another pension for \$75,000 a year (which pays more annually than the \$50,000 pension). Don will not enter any amounts in Step 2.

If Don also has \$1,000 of interest income, he won't enter that amount on this Form W-4P because he entered the \$1,000 on the Form W-4P for the higher paying \$75,000 pension.

Example 4. Ann, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Ann also has a job that pays \$25,000 a year and another pension that pays \$20,000 a year. Ann will enter \$25,000 in Step 2(b)(i), \$20,000 in Step 2(b)(ii), and \$45,000 in Step 2(b)(iii).

If Ann also has \$1,000 of interest income, which she entered on Form W-4, Step 4(a), she will instead enter \$26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter \$46,000 in Step 2(b)(iii). She will make no entries in Step 4(a) of this Form W-4P.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.



Multiple sources of pensions/annuities or jobs. If you (or if married filing jointly, you and/or your spouse) have a job(s), do NOT complete Steps 3 through 4(b) on Form W-4P. Instead, complete Steps 3 through 4(b) on the Form W-4 for the job. If you (or if married filing jointly, you and your spouse) do not have a job, complete Steps 3 through 4(b) on Form W-4P for **only** the pension/annuity that pays the most annually. Leave those steps blank for the other pensions/annuities.

Step 3. This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 501, Dependents, Standard Deduction, and Filing Information. You can also include **other tax credits** for which you are eligible in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than

Specific Instructions (continued)

having tax on other income withheld from your pension, see Form 1040-ES, Estimated Tax for Individuals.

Step 4(b). Enter in this step the amount from the Deductions Worksheet, line 6, if you expect to claim deductions other than the basic standard deduction on your 2024 tax return and want to reduce your withholding to account for these deductions.

This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe.

Note: If you don't give Form W-4P to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2024, your current withholding election (or your default rate) remains in effect unless you submit a new Form W-4P.

Step 4(b) – Deductions Worksheet (Keep for your records.)



1

Enter an estimate of your 2024 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to \$10,000), and medical expenses in excess of 7.5% of your income

1

\$

2

Enter:

• \$29,200 if you're married filing jointly or a qualifying surviving spouse

• \$21,900 if you're head of household

• \$14,600 if you're single or married filing separately

2

\$

3

If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "0-0"

3

\$

4

If line 3 equals zero, and you (or your spouse) are 65 or older, enter:

• \$1,950 if you're single or head of household.

• \$1,550 if you're married filing separately.

• \$1,550 if you're a qualifying surviving spouse or you're married filing jointly and one of you is under age 65.

• \$3,100 if you're married filing jointly and both of you are age 65 or older.

Otherwise, enter "0-0". See Pub. 505 for more information

4

\$

5

Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information

5

\$

6

Add lines 3 through 5. Enter the result here and in **Step 4(b)** on Form W-4P

6

\$

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from pension or annuity payments based on your filing status and adjustments; (b) request additional federal income tax withholding from your pension or annuity payments; (c) choose not to have federal income tax withheld, when permitted; or (d) change a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Failure to provide a properly completed form will result in your being treated as a single person with no other entries on the form; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may

also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Social Security Number

or

PERA ID

Section 10

Your Acknowledgment

I am hereby applying for retirement benefits as indicated above. I understand my retirement benefits will begin on the first of the month following the completion of all the following: 1) meeting the age and service requirements for normal retirement; 2) termination of all employment from a PERA and ERB affiliated employer(s); and 3) completion and submission of the Application for Pension and required signed documents with the understanding that I am submitting everything no earlier than six (6) months and no later than sixty (60) calendar days from the effective date of retirement. I also understand that if I should ever return to work for any PERA affiliated employer, I must contact PERA immediately and my benefit may be subject to suspension. I certify that the information contained herein is true and correct to the best of my knowledge.

Signature of Applicant	Date

Toll Free 1-800-342-3422
Website: www.nmpera.org
E-mail: pera-memberservices@state.nm.us
pera-albuquerque@state.nm.us



Santa Fe Office

33 Plaza La Prensa
Santa Fe, NM 87507
505-476-9300 Voice
505-954-0370 Fax

Albuquerque Office

6300 Jefferson St. NE, Suite 100
Albuquerque, NM 87109
505-383-6550 Voice
505-954-0370 Fax

The logo of the Public Employees Retirement Association of New Mexico is a large, stylized orange sunburst or gear-like shape with multiple pointed segments radiating from a central white circle. The text "Public Employees Retirement Association of New Mexico" is centered within the white circle.

**Public Employees
Retirement Association
of New Mexico**

Updated January 2024