

WITHDRAWING FUNDS

PERSI BASE PLAN – IDAHO STATUTE 59-1359

Your Base Plan contributions are always yours. When you leave PERSI-covered employment, you may withdraw your Base Plan money and any interest earned or you may choose to leave your contributions and interest in PERSI until a future date or until you retire. If you withdraw your funds, tax penalties and withholdings may apply. You may also roll over your account balance to another qualified retirement plan.

LEAVING YOUR BASE PLAN ACCOUNT IN PERSI

By leaving your contributions in the Base Plan, the money will continue to earn interest and you will preserve your retirement credits. If you return to PERSI-covered employment, the service credit you accrue will be added to the service already on your account.

HAVE YOU ALREADY EARNED A LIFETIME BENEFIT?

If you have at least 60 months of service credit, you are vested and are eligible to receive a lifetime monthly benefit at retirement. Because the value of your pension may be more than just your account balance, before applying for a separation benefit, you should contact PERSI for a retirement benefit estimate. If you are vested and withdraw your account balance, your service credit will be removed from your account and you will not be eligible for a lifetime benefit.

TAKING A BASE PLAN SEPARATION BENEFIT

A separation benefit is a lump sum payment of all the money you contributed to the PERSI Base Plan plus any interest earned. By taking a separation benefit you cancel all service credits earned toward your PERSI retirement. A Base Plan separation benefit can be issued as a refund or a rollover to another qualified retirement plan.

You must be an inactive member to be eligible to receive a separation benefit. This means that you have terminated all employment with employers participating in PERSI. If you are working in a part-time capacity, as a contractor or leased employee, or on a leave of absence, you are not considered inactive.

To request a separation benefit, you must submit an, **Request for Separation Benefit form** and a copy of your non-expired, government-issued, photo-ID to PERSI after you have terminated employment.

TAXES

Distributions from retirement plans are considered taxable income, so before deciding to take a separation benefit, you should consider the tax consequences. PERSI recommends that you consult with a tax advisor to determine how the distribution will affect you. Unless you request more withheld, PERSI will withhold 20 percent for federal taxes if the payment is made to you.

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**IF THERE IS ANY DISCREPANCY BETWEEN THIS PUBLICATION AND THE LAW,
THE PROVISIONS OF THE LAW WILL PREVAIL.**

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CHOICE 401(K) PLAN

You may withdraw your funds from the Choice 401(k) Plan, or you may defer distribution to a future date if you have at least \$1,000 in your account when your employment with a PERSI employer ends. Because your Choice Plan is separate from your Base Plan, what you decide to do with your 401(k) account has no effect on your Base Plan retirement credits.

Leaving Your Choice Plan Account in PERSI If you choose to leave your money in the Choice 401(k) Plan when you terminate public employment, your account balance will continue to be subject to investment gains and losses. If you leave your funds in PERSI after leaving covered employment, you will still be responsible for paying the monthly record keeping fee. If your account falls below \$1,000, it will automatically be closed and the money paid to you.

TAKING A CHOICE PLAN WITHDRAWAL

If you choose to withdraw your account balance, you have several payment or rollover options.

1. Lump-sum distribution: A one-time payment of your account balance, less the required federal tax withholding.
2. Purchase Base Plan service: Use your Choice Plan balance to purchase up to 48 months of additional PERSI Base Plan service credit at the time of your retirement.
3. Rollover to another qualified retirement plan.
4. Installment payments: Monthly installment payments which can be paid:
 - a. In a fixed monthly amount, not to exceed 120 months; or
 - b. Substantially equal monthly payments over a fixed period of time not to exceed the joint life expectancy of you and your designated beneficiary.

To request a withdrawal or for more information, contact PERSI's Choice 401(k) Plan record keeper, toll-free at 1-866-437- 3774 or visit www.mypersi401k.com. When all of your funds have been withdrawn from your Choice 401(k) Plan account (zero balance), the account will be closed.

FOR MORE INFORMATION

For more information about retirement options and benefits, visit the PERSI website at www.persi.idaho.gov or contact the PERSI Answer Center at 1-800-451-8228 or 208-334-3365.

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