



LEGISLATORS' SYSTEM AT A GLANCE

LEGISLATORS' RETIREMENT SYSTEM

Participating in the Fund

Within the Legislators' Retirement System (LRS) is a Defined Benefit Plan and a Defined Contribution Plan. Your participation in one or both of these plans depends on when you served in the Indiana General Assembly. If your service in the General Assembly was completed before April 30, 1989, you will continue as a member of the Public Employees' Retirement Fund (PERF) and will not participate in the Legislators' Retirement System (LRS).

The Defined Contribution Plan

Applies to legislators who were elected or appointed after April 30, 1989, or who were in service on this date and elected to participate in this new plan. You become vested immediately at the time of hire.

Contributions

Employee Contributions

- You must contribute 5 percent of your salary for your service after June 30, 1989.

Employer Contributions

- Determined by multiplying your salary for that year by a percentage determined by the INPRS board.
- Confirmed by the budget agency not to exceed the total PERF contribution rate paid that year by the state to INPRS for state employees.

Transferring Contributions—INPRS/TRF Service

- On July 1 following the date you become a member, you may elect to transfer the amount in your Public Employees' Retirement Fund (PERF) or Teachers' Retirement Fund (TRF) Annuity Savings Account to the Defined Contribution Plan.
- This amount will then be credited to your account.

Withdrawing Your Account

- Following separation of service.
- You may select only one of the five options available.
- Withdrawals are subject to mandatory provisions of federal tax law regarding required beginning date and minimum required distributions.

For detailed information, see the Legislators' Retirement System Handbook at www.inprs.in.gov.

Your account will be paid to your designated beneficiary or beneficiaries if:

- you die either while a member of the General Assembly, or
- after terminating service without having withdrawn your account from the fund.

Death Benefits

If there is no beneficiary, or if the beneficiary does not survive you, the account will be paid to your surviving spouse or your surviving dependent(s) if there is no surviving spouse.

If there is no surviving spouse or surviving dependents, your account will be paid to your estate.

Special Tax Notice Regarding Rollovers

A rollover is a payment of all or part of your benefit to an eligible employer plan or an eligible IRA that allows you to continue to postpone taxation of that benefit until it is paid to you. If you choose a direct rollover, your payment will not be taxed in the current year and no income tax will be withheld. An "eligible employer plan" includes a plan qualified under section 401(a) of the Internal Revenue Code, including:

- a 401(k) plan,
- profit-sharing plan,
- defined benefit plan,
- stock bonus plan, and
- money purchase plan
- a section 403(a) annuity plan,
- a section 403(b) tax-sheltered annuity; and
- an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan).

Be sure to check with the administrator of the plan that is to receive your rollover prior to making the rollover.

Additional Information

Please see the Legislators' Retirement System Member Handbook at www.inprs.in.gov for more information on income tax consequences. You may want to talk to your tax preparer about information regarding your taxes and your benefit.

Income Tax Consequences

FOR YOUR BENEFIT

This handout is an overview of the Legislators' Defined Contribution plan provisions. Complete details of the fund's provisions are available in the current Member Handbook. You may access the handbook from the INPRS Web site at www.inprs.in.gov. If you have questions, contact us toll-free at (888) 526-1687.

Keep your information current. Report any changes in your name or address directly to PERF. This is NOT something your employer can do for you. Defined Contribution members may change name, address or beneficiary information by using PERF Online at www.inprs.in.gov.

Every attempt has been made to verify that the information in this publication is correct and up-to-date. Published content does not constitute legal advice. If a conflict arises between information contained in this publication and the law, the applicable law shall apply.