



# MONTGOMERY COUNTY RETIREMENT FOCUS

December 2023

## Important Year-End Reminders

### Required Minimum Distribution

Will you be age 73 in 2023 and no longer working for the County?

The IRS requires members of the Retirement Saving Plan (RSP), Guaranteed Retirement Income Plan (GRIP) or the Deferred Compensation (DCP), who are **no longer working** for the County, to begin taking annual distributions from their account by April 1<sup>st</sup> of 2024.

For more information, please contact the Fidelity onsite representative at (240) 777-8228 or Fidelity Customer Service Center (800) 343-0860 to determine when and how much you will need to withdraw.

### Pension Payment Deposits

Pension payments are deposited monthly and you should have access the 1<sup>st</sup> of every month unless it's a holiday or weekend, then it is the next business day.

#### 2024 ERS Pension Deposit Schedule

January 2, 2024	July 1, 2024
February 1, 2024	August 1, 2024
March 1, 2024	September 3, 2024
April 1, 2024	October 1, 2024
May 1, 2024	November 1, 2024
June 3, 2024	December 2, 2024

### Account Forms Review

A review of all personal information is important because of life changes that might have occurred during the year. Please visit our website at <https://www.montgomerycountymd.gov/mcerp/retirees.html> to obtain copies of these forms.

- Direct Deposit
- Tax Withholdings
- Address Change
- Beneficiary Forms

You can access the beneficiary forms at OHR's website:

<https://www.montgomerycountymd.gov/HR/Benefits/Beneficiary.html#1>

### Power-of-Attorney

A General Power of Attorney allows you to name a person as your agent to handle all matters on your behalf in the event you no longer can handle your own affairs.

Consider naming a power of attorney while you can still take care of your own affairs, so if you should become incapacitated, we will have your notarized document on file and can work with your designated agent.

A copy should be sent to the Retirement Department by fax 240-306-1389 or email [retirement@montgomerycountymd.gov](mailto:retirement@montgomerycountymd.gov).

# Important ERS Retiree Information

## Form 1099R Distributions From Pensions, Annuities, Retirement

9898		<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0119		
<b>PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.</b> Montgomery County Employees' Retirement System 101 Monroe Street, 6 <sup>th</sup> Floor Rockville, MD 20850		<b>1 Gross distribution</b> \$ 25,801.44	<b>2023</b> Form 1099-R			<b>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</b>
		<b>2a Taxable amount</b> \$ 25,547.88				
		<b>2b Taxable amount not determined</b> <input type="checkbox"/>	<b>Total distribution</b> <input type="checkbox"/>		<b>Copy A</b> For Internal Revenue Service Center File with Form 1096.	
<b>PAYER'S TIN</b> 30-0606393	<b>RECIPIENT'S TIN</b> 111-11-1111	<b>3 Capital gain (included in box 2a)</b> \$ 0.00	<b>4 Federal income tax withheld</b> \$ 2,247.28			
<b>RECIPIENT'S name</b> Benny Pension		<b>5 Employee contributions/ Designated Roth contributions or insurance premiums</b> \$ 253.56	<b>6 Net unrealized appreciation in employer's securities</b> \$ 0.00		For Privacy Act and Paperwork Reduction Act Notice, see the 2023 General Instructions for Certain Information Returns.	
<b>Street address (including apt. no.)</b> 100 Retirement Row		<b>7 Distribution code(s)</b> 7	<b>IRA/SEP/SIMPLE</b> <input type="checkbox"/>	<b>8 Other</b>		
<b>City or town, state or province, country, and ZIP or foreign postal code</b> Rockville, MD 20850		<b>9a Your percentage of total distribution</b> %	<b>9b Total employee contributions</b> \$			
<b>10 Amount allocable to IRR within 5 years</b> \$ 0.00	<b>11 1st year of design. Roth contrib.</b>	<b>12 FATCA filing requirement</b> <input type="checkbox"/>	<b>14 State tax withheld</b> \$ 1,020.00	<b>15 State/Payer's state no.</b>	<b>16 State distribution</b> \$ 25,547.88	
<b>Account number (see instructions)</b>		<b>13 Date of payment</b>	<b>17 Local tax withheld</b> \$	<b>18 Name of locality</b>	<b>19 Local distribution</b> \$	

Form 1099-R      Cat. No. 14436Q      www.irs.gov/Form1099R      Department of the Treasury - Internal Revenue Service

In January you will receive a Form 1099-R that reports the total benefit you received from the Employees' Retirement System (ERS).

The statements will be mailed to you on or about January 26, 2024.

## MW507P or W4P Tax Forms

MCERP only withholds for Maryland state taxes. If you move into the State of Maryland, make sure to complete the **MW507P** (*Maryland Income Tax Withholding for Annuity*) form and forward to our office before the 15<sup>th</sup> of any month. If you move outside of the State of Maryland, we will stop your Maryland state tax deductions.

To assist you in calculating your withholdings, you can use the link below to assist you. The form and link found can be found on our website at <https://www.montgomerycountymd.gov/mcerp/retirees.html>

Calculator: <https://interactive2.marylandtaxes.gov/WithholdingCalculator>

Form: <https://www.montgomerycountymd.gov/mcerp/Resources/Files/2023%20MW%20507P.pdf>

To adjust your Federal taxes, you must complete the **W4P** (*Withholding Certificate for Periodic Pension or Annuity Payments*) and forward to our office before the 15<sup>th</sup> of any month. You must read and answer all applicable sections on the form.

Form: <https://www.montgomerycountymd.gov/mcerp/Resources/Files/W4P%20Form.pdf>

Submit your forms by email ([retirement@montgomerycountymd.gov](mailto:retirement@montgomerycountymd.gov)), mail or fax (240-306-1389).

# Top Things New ERS Retirees Should Know

**We Are Here For You!** MCERP is not only providing customer service for our employees but for our retired members as well. You might not be aware of some of the services available, so we have highlighted a few in the boxes below:

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## When and how the COLAs are determined:

The Cost-of-Living Adjustment (COLA) is an annual adjustment to your monthly pension benefit which reflects the change in the Consumer Price Index (CPI) from May 1 to May 1. It is applied to your July 1<sup>st</sup> benefit. If you retire during the prior fiscal year your COLA will be prorated.

2

## Reduction of Benefit:

Your Social Security benefit is a separate benefit from your County benefit. Your County pension reduces based on your year of birth not when you start receiving Social Security.

Born during/after 1938 reduces at age 66

Born during/after 1955 reduces at age 67

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## Income Verification Letter:

To obtain an income verification letter outlining your monthly annuity benefits, call MCERP at (240) 777-8230 or email us at [retirement@montgomerycountymd.gov](mailto:retirement@montgomerycountymd.gov).

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## Social Security Seminars:

Social Security seminars are held 4 times a year virtually from 2-4pm. To register, please visit our website or use the link shown below:

<https://www.signupgenius.com/go/5080E4EA4A62AA6F85-45626410-2024>

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## Health Insurance:

Please call MC311 at (240) 777-0311, option 1 Monday – Friday 8am – 5pm to have all of your insurance questions answered by the County's Office of Human Resources (OHR).

OHR has virtual office hours the 1<sup>st</sup> Thursday of every month from 3-4pm via Zoom.

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## When to contact MCERP:

Please let us know if your name, phone number, or address changes. These changes can be made online with your AccessMCG credentials. If you do not have your credentials, please call (240) 777-8230 and we will provide assistance.

If you have a life change such as a death or divorce, please call (240) 777-8230 or email us at [retirement@montgomerycountymd.gov](mailto:retirement@montgomerycountymd.gov).

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## Investment Counseling for the County Deferred Compensation Plan:

If you have an account balance with Fidelity, you are entitled to meet with a Fidelity representative to answer questions on investments, distributions or other related topics. For an office near you call (800) 343-0860 or (240) 777-8228.

You also have the option to meet with Cambridge Investment Research, an independent financial planner, to discuss your financial goals and review your asset allocation. To make an appointment use the link shown below: <https://www.montgomerycountymd.gov/mcerp/education/>

**RETIREMENT FOCUS** is a newsletter published by Montgomery County Employee Retirement Plans and the Board of Investment Trustees for active members, retirees and beneficiaries of the Employees' Retirement System, Guaranteed Retirement Income Plan, Retirement Savings Plan and the County Deferred Compensation Plan.

## OBTAIN INFORMATION YOUR WAY



Answers to common questions:  
[www.montgomerycountymd.gov/retirement](http://www.montgomerycountymd.gov/retirement)



Answers to your specific retirement questions:  
[retirement@montgomerycountymd.gov](mailto:retirement@montgomerycountymd.gov)



Retirement Benefits (240) 777 - 8230  
Fidelity on-site rep. (240) 777 - 8228  
Disability Benefits (240) 777 - 0815

Montgomery County Employee Retirement Plan  
Executive Office Building  
101 Monroe Street, 6<sup>th</sup> Floor  
Rockville, MD 20850

