MARYLAND STATE RETIREMENT AGENCY 120 EAST BALTIMORE STREET BALTIMORE, MARYLAND 21202-6700

JUDGES' RETIREMENT SYSTEM APPLICATION FOR SERVICE RETIREMENT

FOR RETIREMENT USE ONLY

FORM 16 (REV. 11/24)

INSTRUCTIONS FOR COMPLETION OF APPLICATION

IMPORTANT: Read the following instructions and information carefully before filling out this form.

1. <u>If you are married at the time of your retirement</u>, you must designate your spouse as your sole beneficiary. With your spouse as your sole designated beneficiary your retirement allowance will be paid as the Basic Allowance (50% Survivor Option). Upon your death, your surviving spouse would be paid fifty percent (50%) of your retirement allowance.6

DO NOT complete the Retirement Allowance Options section on the second page of the application.

 If you are not married at the time of your retirement, but have at least one child under the age of 26, you must designate your child or children under age 26 as your beneficiary or beneficiaries. With your child or children under age 26 as your beneficiary or beneficiaries, your retirement allowance will be paid as the Basic Allowance (50% Survivor Option). Upon you death, fifty percent (50%) of your retirement allowance will be divided equally to your child or children under age 26, until all have reached age 26.

DO NOT complete the Retirement Allowance Options section on the second page of the application.

If you are not married at the time of your retirement and have no children under the age of 26, you may
designate one or multiple beneficiaries, and you must select one of the Retirement Allowance Options on the second
page of the application.

If you designate <u>only one</u> beneficiary, you may select any of the Retirement Allowance Options on the second page of the application. Please carefully read the descriptions of each Retirement Allowance Option.

If you designate <u>more than one</u> beneficiary, you may select only Option 1 or Option 4 of the Retirement Allowance Options. Please carefully read the descriptions of each Retirement Allowance Option.

To designate multiple beneficiaries, complete the *Judges' Retirement System Designation of Beneficiary* (Form 4.1).

- 4. <u>For all retirees</u>, if you marry or remarry after retirement, any designation of beneficiary other than your spouse is void, and your spouse is automatically entitled to the survivor monthly allowance due under the Basic Allowance (50% Survivor Option).
- 5. Please complete this form by printing in ink.
- 6. This form must be notarized.
- 7. Submit completed forms to the Maryland State Retirement Agency at 120 East Baltimore Street, Baltimore, Maryland 21202.
- 8. In addition to this *Judges' Retirement System Application for Service Retirement* form, you should also complete and submit to the Retirement Agency Form 85 (Direct Deposit Authorization), IRS Form W-4P (Federal Tax Withholding) and Form 766.11 (Maryland State Tax Withholding Request). These forms are available for download from our website at sra.maryland.gov.
- 9. If you need help to complete this form, or need information on your retirement benefits or the retirement process, please contact a Retirement Benefits Specialist at 410-625-5555 or 1-800-492-5909.

Reemployment After Retirement

Keep a copy of this information on file as a handy reference. You should also keep your Notice of Retirement Allowance that the State Retirement Agency sends to you as a new retiree. The Notice of Retirement Allowance lists the amount of your earnings limitation.

<u>Under no circumstances should your decision to retire be conditioned upon an offer of reemployment, and in fact, no</u> <u>offers of reemployment should be discussed by you and your employer prior to your retirement.</u> However, if after your retirement you consider reemployment with an employer that participates in the SRPS you need to be aware of two important issues: Internal Revenue Service (IRS) guidelines regarding reemployment and Maryland retirement law regarding reemployment.

Internal Revenue Service Guidelines Regarding Reemployment

There can be significant consequences to you and the SRPS if you retire before the normal retirement age of your plan and/or before age 59 1/2, and are reemployed with the same employer without a bona fide separation of service. Please note that all units of Maryland state government, including the University System of Maryland, are considered one employer.

The IRS can impose a significant tax penalty on your income if you are under the age of 59 1/2, retire and begin receiving your monthly retirement benefits, and are reemployed by the same employer from whom you retired. In order to avoid this penalty there must be a bona fide separation from service between you and your former employer.

If you retire before your normal retirement age, there are also serious IRS consequences to the SRPS if a bona fide separation does not take place following retirement and prior to reemployment with the same employer.

While the IRS has not specifically defined what constitutes a bona fide separation from service, it is clear that the greater the difference between your last job before retirement and the job being performed upon your reemployment, and the longer the break between the date of your retirement and the date of your reemployment, the more likely it is that there has been a bona fide separation of service. If you are reemployed to perform the same job, even if there is a reduction in your work schedule, this would not likely qualify as a bona fide separation of service unless there is a lengthy break in employment. Even arrangements where you are rehired as an "independent contractor" may not meet the IRS' standard.

Maryland Retirement Law Regarding Reemployment

Employment after retirement, under certain circumstances, may cause your retirement allowance to be reduced.

Service Retirement

If you accept employment with a participating employer that is an employer who offers State Retirement Benefits to their employees (a list of these employers can be found on page three), you must notify the Board of Trustees in writing of your intent to accept reemployment and the amount of your anticipated compensation. If you accept employment with the *same employer* from which you retired, you are subject to an earnings limit. All units of Maryland State government, including the University System of Maryland, are considered to be *one employer* under these reemployment rules. If you are subject to an earnings limit, your allowance will be reduced only if your *reemployment earnings* exceed the earnings limitation printed on your Notice of Retirement Allowance.

Reemployment earnings are the annual reemployment compensation reported to the IRS that you received during a calendar year. Your benefit is reduced one dollar for every dollar you earn in excess of your limit, up to a maximum of the full retirement allowance.

Exceptions

Earnings limits do not apply if:

- You have been temporarily assigned to sit in a court of Maryland under the authority of Article IV, §3A of the Maryland Constitution.
- You have been retired for more than five years. With the exception of a January 1 retirement date, the five-year period begins on January 1 of the year following the year of retirement.
- You are employed as a member of the faculty of a public institution of higher education in Maryland

PARTICIPATING EMPLOYERS* Maryland State Retirement and Pension System

State of Maryland University System of Maryland Baltimore City and All County Boards of Education (Teachers' System) Community Colleges and All Public Libraries (Teachers' System)

Participating Governmental Units in the Employees' System as of July 1, 2024

Allegany College of Maryland Allegany County Board of Education Allegany County Government Allegany County Public Library Annapolis, City of Anne Arundel County Board of Education Anne Arundel County Community College Berlin, Town of Berwyn Heights, Town of Bladensburg, Town of Bowie, City of - Police Dept. (LEOPS) Brentwood, Town of Brunswick, City of Calvert County Board of Education Cambridge, City of Caroline County Board of Education Caroline County Sheriffs Carroll County Board of Education Carroll County Government Carroll County Public Library Cecil County Board of Education Cecil County Government Cecil County Public Library Centreville, Town of Chesapeake Bay Commission Chestertown, Town of Cheverly, Town of College Park, City of Crisfield, City of **Crisfield Housing Authority** Cumberland, City of Cumberland, City of - Police Department Denton, Town of District Heights, City of Dorchester County Board of Education Dorchester County Council Dorchester County Roads Board Dorchester County Sanitary Commission Eastern Shore Regional Library, Inc. Edmondston, Town of Emmitsburg, Town of Federalsburg, Town of Frederick County Board of Education Frostburg, City of Fruitland, City of

Frederick County Soil Conservation Garrett County Board of Education Garrett County Community Action Committee. Inc. Greenbelt, City of Greensboro, Town of Hagerstown, City of Hagerstown Community College Hampstead, Town of Harford County Board of Education Harford Community College Harford County Government Harford County Public Library Harford County Liquor Control Board Howard Community College Howard County Board of Education Howard County Community Action Council Hurlock. Town of Hyattsville, City of Kent County Board of Education Kent County Government Kent Soil and Water Conservation District Landover Hills, Town of LaPlata, Town of Manchester, Town of Maryland Health and Higher Educational **Facilities Authority** Middletown, Town of Montgomery College Morningside, Town of Mount Airy, Town of Mount Rainier, City of New Carrollton, City of North Beach, Town of Northeast Maryland Waste and Disposal Authority Oakland, Town of Oxford, Town of Pocomoke, City of Preston, Town of Prince George's Community College Prince George's County Board of Education Prince George's County Government Prince Georges County Crossing Guards

Prince George's County Memorial Library Princess Anne, Town of Queen Anne's County Board of Education Queen Anne's County Commission Queenstown, Town of Ridgely, Town of Rock Hall, Town of St. Mary's County Board of Education St. Mary's County Government Saint Mary's County Housing Authority St. Mary's County Metropolitan Commission St. Michaels Commissioners Salisbury, City of Shore Up!, Inc. Snow Hill, Town of Somerset County Board of Education Somerset County Economic **Development Commission** Somerset County Government Somerset County Sanitary District Southern Maryland, College of Southern Maryland Tri-County Community Action Committee, Inc. Sykesville, Town of Takoma Park, City of Talbot County Board of Education Talbot County Government Taneytown, City of Thurmont, Town of Tri County Council for Lower Eastern Shore, Maryland Tri-County Council for Western Maryland, Inc. University Park, Town of Upper Marlboro, Town of Walkersville, Town of Washington County Board of Education Washington County Board of Liquor Commissioners Washington County Free Library Westminster, City of Worcester County Board of Education Worcester County Government Wor-Wic Community College

***NOTE:** The list of employers that participate in the Maryland State Retirement and Pension System (SRPS) is subject to change at any time. This list is updated annually. To determine whether a particular employer participates in SRPS, call a retirement benefits specialist at 410-625-5555 or toll-free at 1-800-492-5909.

Judges'	Retirement S	System Applica	tion for Serv	<u>ice Retiremer /</u>	nt
SOCIAL SECURITY NUMBER	GENDER	DATE OF BIRTH	l		
]				
	M or F	Month Da	ay Ye	ar	
APPLICANT'S NAME					
First		Initial Last			
Number and Street					
City				ate ZIP Code	
Home email address:			014		
I request that my retirement all	owance be effect	tive on:	- -		
riequest that my retrement an		Month	Day	Year	1
Last judicial position held:				phone number:	
BASIC ALLOWANCE (SEE PAGE 2					
§27-402. I elect to receive a pension from the my death, my surviving spouse shall receive	one-half of the month	ly benefit for his or her life	time. If there is no su	viving spouse at time of	my death, my children under
the age of 26 shall receive the retirement allo	owance that would hav	e been paid to a surviving	spouse (If more thar	one child, retirement al	llowance is divided equally). If
there is no surviving spouse or children under of the month or later. If I marry or remarry fol					
SPOUSE'S NAME					
First SPOUSE'S SOCIAL SECURITY NU		Initial Last GENDER	DATE OF BIRTH		
		M or F	Month	Day	Year
CHILD UNDER AGE 26 (For additional	children under age 2	26, use a separate page			GENDER
				- -	
I have be apply to refine from the Mandand Ot	ate Detinement and De	vasion Quetom ("CDDC") a	Month	Day	Year M or F
I hereby apply to retire from the Maryland St. 1. <u>REGARDING PAYMENT OF MY RETI</u>					d my properly designated
beneficiary or beneficiaries, according					
myself and my heirs and assigns, that further obligation concerning the benef					
further obligation concerning the benefit. I hereby direct that if each of my designated beneficiaries dies before me, the amount payable shall become a part of and be paid to my estate, or to the beneficiary or beneficiaries I properly designate hereafter in accordance with the rules and regulations adopted by the Board.					
 <u>REGARDING EACH OF MY BENEFICIARIES</u>, I want the designation of beneficiary in this application to take effect (check only one box): Immediately Only upon the effective date of my retirement 					
I understand that if I check neither b	ox or both boxes, the		neficiary in this app	lication will become ef	fective immediately and will
 replace all prior designation of bene REGARDING DEDUCTIONS FROM M 		lect to have any premium	dues or other expe	nses deducted from my	allowance. I hereby authorize
the Maryland State Retirement Agency					
deductions) with the third party or partie 4. <u>REGARDING REEMPLOYMENT</u> , I have				rement on harden two or	nd three of this application. I
agree to notify the Board of my anticipa					
temporary reduction or termination of n	ny monthly retirement a	allowance. I understand th	at to retire, I must be	separated from any and	d all employment and
reemployment, of any kind whatsoever compliance with that requirement, and					
			• • •		
This form must be signed and p	properly notarized	d to be valid. The b	elow section mu	st be completed t	by a Notarial Officer
(Notary Public, Clerk of the Cou	urt, etc.)				
State of	, County of		(or City of B	altimore)	
	This form w	vas acknowledged	before me on the	e day of	, 20,
(Notary Public, Clerk of the Cou State of Official stamp must be affixed	ву	Name of individual wh	ose signature is hei	ng acknowledged*	<u> </u>
	Signature c	of Notarial Officer	ooo aignature ia Del	ng doknowledged	
Title of office (<i>Notary Public, C</i> □Check here if this notarial ac	lerk of the Court,	etc.)		My commission e	expires
Check here if this notarial ac	t involved a rem	otely located indivi	dual and the use	of communicatio	n technology.
* IMPORTANT: If the name of the indi	vidual whose signate	ure is being notarized is	s not filled in, this fo	rm will be invalid and	have no legal effect.

RETIREMENT ALLOWANCE OPTIONS

Optional Allowance - Reduced Benefit

Complete this section only if (1) you do not have a spouse or children under age 26 and (2) you elect not to accept the basic retirement allowance. You may designate one beneficiary to receive an allowance under Option 2, 3, 4, 5, or 6. You may designate one or more beneficiaries to receive the Option 1 retirement allowance in equal shares. Selection of an optional retirement allowance provides a reduced benefit for you for your lifetime. Please note that your choice of option and beneficiary/ies is irrevocable. Indicate your selection by signing the appropriate box below. If you elected an optional allowance, you also must complete the Judges' Retirement System Designation of Beneficiary (Form 4.1).

OPTION 1:

Guarantees monthly payments that equal the total of your retirement benefit's Present Value. The Present Value of your benefit is figured at the time of your retirement, based on life expectancy statistics. If you die before receiving monthly payments that add up to the Present Value, the remaining payments will be paid in a lump sum to your designated beneficiary or beneficiaries who remain alive.

SIGNATURE _____ DATE _____

OPTION 2:

Guarantees that after your death the same monthly benefit will continue to be paid to your surviving beneficiary for his or her lifetime. No further payments will be made after the deaths of you and your beneficiary. If you choose this option, you must send proof of your beneficiary's date of birth with this application. Retirees electing Option 2 cannot designate a beneficiary who is more than 10 years younger unless the beneficiary is the retiree's spouse or disabled child.

_____ DATE _____

SIGNATURE _____

OPTION 3:

Guarantees that after your death one half of the monthly benefit paid to you will be paid to your surviving beneficiary for his or her lifetime. No further payments will be made after the deaths of you and your beneficiary. If you choose this option, you must send proof of your beneficiary's date of birth with this application.

SIGNATURE _____ DATE _____

OPTION 4:

Guarantees the return of your accumulated contributions and interest as established when you retire. If you die before you have recovered the full amount of your accumulated contributions and interest the remainder will be paid in a lump sum to your designated beneficiary who remains alive.

SIGNATURE _____ DATE _____

OPTION 5:

Guarantees that after your death the same monthly benefit paid to you will be paid to your surviving beneficiary for his or her lifetime. It also provides that your monthly benefit will Apop-up@ to the Basic Allowance for your lifetime if your beneficiary dies before you. No further payments will be made after the death of you and your beneficiary. If you choose this option, you must send proof of your beneficiary's date of birth with this application. Retirees electing Option 5 cannot designate a beneficiary who is more than 10 years younger unless the beneficiary is the retiree's spouse or disabled child.

SIGNATURE _____

DATE _____

OPTION 6:

Guarantees that after your death one half of the monthly benefit paid to you will be paid to your surviving beneficiary for his or her
lifetime. It also provides that your monthly benefit will Apop-up@ to the Basic Allowance for your lifetime if your beneficiary dies
before you. No further payments will be made after the deaths of you and your beneficiary. If you choose this option, you must send
proof of your beneficiary's date of birth with this application.

SIGNATURE _____

DATE _____