PLANNING FOR RETIREMENT

(2026 NYSTRS *Benefit Profile* Insert)

Earning Credit: You may receive up to one year of service credit in a 7/1 – 6/30 school year.

- You must work the equivalent of 20+ full days to earn credit.
- Days from multiple school years cannot be combined to earn credit.
- Now is the time to pursue credit you may be eligible for – it can save you money! Learn more about prior NYS and military service, reinstatement, and transfers on the Service Credit & Milestones page at nystrs.org.
- Service credit in your final year is limited to the physical months actually possible based on your retirement date.

Days Worked in a School Year	Service Credit	Days Worked in a School Year	Service Credit
Under 20 Days	None	90 - 109 Days	5 Months
20 - 29 Days	1 Month	110 - 129 Days	6 Months
30 - 49 Days	2 Months	130 - 149 Days	7 Months
50 - 69 Days	3 Months	150 - 169 Days	8 Months
70 - 89 Days	4 Months	170+ Days	9 Months (1 Year)

Retirement Planning: Review the Ready to Retire page in the Retirement Planning section at nystrs.org. The Benefit Payment videos may be especially helpful when completing the *Application for Retirement* (RET-54). Most members nearing retirement age may run benefit estimates in their MyNYSTRS account. Members who are both age 53+ and retiring within three years may book an individual consultation in MyNYSTRS or by calling 800-348-7298, ext. 6100.

Pension & Retirement Education Program (PREP): Early- to mid-career is the most beneficial time to attend these seminars. Long-term retirement planning may prompt saving earlier in your career to increase financial stability in retirement. PREP seminars cover: NYSTRS benefits, financial planning, Social Security, estate planning, and the retirement process with NYSTRS. Reservations fill up quickly; book as early as possible in MyNYSTRS or by calling 800-348-7298, ext. 6180. PREP schedules and locations are released in mid-September, mid-December, and mid-May.

Retiring Upon Reaching a Service Milestone: If you plan to retire on the cusp of a key milestone (see pg. 2 of your *Benefit Profile*), be aware that falling short of the credit needed could negatively impact your benefit for life. Don't cut it too close when picking a retirement date; work longer than you think necessary. Bear in mind, the finalized benefit may be substantially larger than your initial benefit payments if you pass a key service milestone in your final year. Initial payments are based on service and salary posted when you file for retirement, and generally remain unchanged for at least 12 months. It's advisable to work until the service credit you intend to retire with is posted to your membership.

Retiring from NYSTRS: You must file an *Application for Retirement* (RET-54) with NYSTRS on, or up to 90 days before, your retirement date. You cannot file for a date that has already passed. We recommend filing through your MyNYSTRS account at nystrs.org. Alternatively, you can mail NYSTRS a notarized paper application. If mailing the application, we encourage you to mail it certified, registered, or by another delivery service approved by the System (list available on the Forms page at nystrs.org). The effective date of retirement you enter on your retirement application must be at least one day after the last date you earned salary under contract (e.g., if you are under contract through June 30, your earliest retirement date would be July 1). To begin collecting a NYS public pension, you must have a bona fide termination. This means you must resign from all NYS public employment, be off payroll, and have no prearranged agreement to return to NYS public employment after retirement.

Changes: NYS law provides up to 14 days after your retirement date to withdraw a service retirement application or to change your retirement date (you cannot request a date that has already passed). Those requests must be submitted to NYSTRS either by secure message in MyNYSTRS, or mailing or faxing a signed request to NYSTRS. Your benefit option is irrevocable unless NYSTRS receives an *Election of Retirement Benefit* (RET-54.6) within 30 days after your retirement date. The form can be filed in MyNYSTRS or mailed. NYSTRS deems mail filed as of date of receipt unless delivered by an approved service (see the Forms page at nystrs.org for the list of approved delivery services).

With a MyNYSTRS Account:

- Receive pension and loan estimates.
- Correspond via secure messaging.
- Register for PREP or a consultation.
- Access cost for verified prior service.
- File for service retirement.
- Enjoy many other self-service tools.

Contact Us:

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800-348-7298

General Information: ext. 6250
Beneficiaries: ext. 6130
Death Benefits: ext. 6110
Disability: ext. 6010
Reservations: ext. 6100
Loans: ext. 6080
MyNYSTRS: ext. 6085
Prior Service: ext. 6030
Reinstatement: ext. 6070
Withdrawal: ext. 6090

Payment Options: At retirement, you may elect to receive the Maximum **or** provide coverage for a beneficiary upon your death. Your choice is irrevocable unless we receive a change within 30 days after your retirement date. So, plan carefully! Before choosing, review your private life insurance as well as the health, age, and financial needs of both you and your beneficiary(ies). See our *Maximum or an Option* brochure or view the "Your NYSTRS Benefit Payment" videos in our website's Library. **No matter which payment choice you elect, you receive payments for life.**

Maximum - This provides the largest payment to you, **but provides no payment to a beneficiary upon your death.**

Lump Sum Options (which provide a lump sum payment to your beneficiary(ies) after your death) -

- **Largest Non-Declining** (All tiers except members retiring under Tier 3) - You set aside a fixed lump sum to be paid at your death to your beneficiary(ies). Estimates will show the cost for each $1,000 you elect to set aside.
- **Annuity Reserve** (Tier 1 or 2 with member contributions only) - The balance of your Annuity Reserve Fund is paid to your beneficiary(ies) if you die before you receive it yourself.
- **Declining Reserve** (Tier 1 only) - The balance of your total reserve (the pension reserve and your annuity reserve, if any) will be paid to your beneficiary(ies) if you die before you receive it all yourself. You may elect a 4% or 7% assumed interest rate, but the reserve payable to the beneficiary(ies) is greater under the 4% calculation.

Guarantee Period Options - You may choose a 5- or 10-year guarantee. If you die within that guaranteed period after retirement, your beneficiary receives monthly payments for the remainder of the guaranteed period.

Survivor and Pop-Up Survivor Options - Payments are based on your age and your beneficiary's age. Upon your death, your beneficiary receives a designated percentage of your benefit in monthly payments for life. The designated percentage (selected at retirement) may be limited for a non-spouse beneficiary 10+ years younger than you. If you choose a pop-up option and your beneficiary dies before you, your future monthly payments will increase to the Maximum after NYSTRS receives your beneficiary's death certificate.

Alternative Options - Provided it can be computed actuarially and administered by the System, you may request a reasonable variation on the above options.

Payments: Benefit payments are made by direct deposit on the last business day of each month. Initial payments are based on verified data on file when we receive your application. Generally, the payment amount will remain unchanged until we receive and process all necessary documentation from your former employer(s) to finalize the benefit, which generally takes up to 12 months but can take longer if clarifying information from the employer is deemed necessary or if you worked under an individual contract. When processing is complete, we adjust your pension retroactive to your date of retirement. Pensions are NYS tax-free, but are federally taxable and subject to other state laws based on your primary residence.

Working in Retirement: Once retired, service retirees can have unlimited earnings in private or federal employment, out-of-state work, or any employment starting the calendar year they turn 65. Earnings for NYS public employment before 65 are currently limited to $35,000 per calendar year under Section 212 of the Retirement and Social Security Law. If you exceed the limit, NYSTRS must suspend your pension for the rest of the calendar year if you continue in public employment. The limit applies even if your public employer contracts with a private third-party entity to hire you. Disability retirees are subject to different rules.

You may exceed the $35,000 limitation if your employer files for a Section 211 waiver and obtains approval from the state entity with jurisdiction over the employment. Waivers generally will not be granted to retirees seeking to return to the same or similar position within one year of retirement. Waivers will be limited to one year and can only be renewed once except in extreme circumstances. Under a Section 211 waiver, your earnings will be limited if a) you received pay from that employer in the two years prior to retirement, and if b) those salaries were used in your Final Average Salary (FAS). In that case, your earnings will be limited to the difference between your Maximum retirement benefit and your FAS (or the salary you'd be receiving had you not retired, if greater). Previously reported earnings cannot be renounced.

See the Retirees/Working in Retirement page at nystrs.org for other important information on bona fide termination and the Section 212 earnings limit.

Cost-of-Living Adjustment (COLA): By law, eligible retirees receive a COLA of 1-3% annually on the first $18,000 of their Maximum benefit. The percent is set by taking 50% of the annual Consumer Price Index increase through March and rounding up to the nearest tenth. To be eligible you must be: a) 62+ and retired 5+ years, or b) 55+ and retired 10+ years, or c) receiving a NYSTRS disability benefit for 5+ years. Spouses receiving a lifetime benefit as beneficiary of a deceased member with a survivor or pop-up option receive half the COLA the retiree would have received.