



Partial Lump-Sum Option (PLSO)

Retiring Soon

Partial Lump-Sum Payment

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At retirement, you can decide to take a lump-sum payment equal to 12 months or 24 months of your lifetime monthly retirement benefit. By deciding to receive a lump-sum payment, your lifetime monthly benefit will be permanently reduced.

Tax Provisions

Your PLSO payment is fully taxable. You're subject to the following if the PLSO payment is paid directly to you:

1. Federal income tax
 - » 20% federal income tax withholding on the eligible portion of the distribution
 - » A 10% early withdrawal tax penalty if the PLSO is taken before age 59½, unless your employment ends during the year you turn age 55 or later.

Note: *If you are a qualified public safety employee* and have attained at least age 50 or 25 years of service, whichever is earlier, the IRS may waive the 10% early withdrawal penalty tax. If you roll over to the URS 401(k) Plan, those funds will be subject to the rules and tax treatment of the plan. Thus, you may be subject to the additional 10% penalty tax.*

* A qualified public safety employee is defined as any employee who provides police protection, firefighting services or emergency medical services for any area within the jurisdiction of the employing state or political subdivision.

2. State of Utah income tax
3. Possible taxes of the state where you live if other than Utah.

Rollover

To defer paying immediate taxes on your PLSO payment, you may rollover all or an eligible portion of your PLSO to a URS 401(k) Plan.

A rollover to the URS 401(k) Plan will not be taxed on the balance in the current year and may defer your taxable distributions over your lifetime. See the URS 401(k) Summary Plan description for more information (available at www.urs.org under Publications).

Estimating How a PLSO Will Affect Your Monthly Benefit

Compute an estimate of your potential benefit and PLSO amounts by logging in to myURS at www.urs.org and using the *Retirement Benefit Estimate Calculator*. If you're planning to retire in the next 12 months, contact our office for a URS-generated estimate. You may also submit an estimate request through myURS using the *Request Benefit Estimate* option if available.

Submitting an Application

To request a retirement application or make an appointment with a retirement counselor contact our office. Your application setting your retirement date must be filed with our office no more than 90 days before or 90 days after your retirement date. In addition, to apply for a PLSO, you must complete a PLSO application to select the option and payout method.

Payment of Lifetime Monthly Benefit and Lump-sum Payment

Your lifetime monthly benefit and your PLSO payment (paid separately), may be delayed up to three months following your retirement date, or the date your application is filed with URS, whichever is later. This delay is due in part to the time required to receive and post information from your employer. During this time, you may receive an "estimated" monthly benefit. If your monthly benefit is estimated, the lump-sum payment is initially paid at 80%. The finalizing process may take up to three months after payment begins.

An Additional 3% Payment

You may receive an additional 3% added to your lifetime monthly retirement benefit and your lump-sum payment if you had retirement contributions in your account on January 1, 1989.

Domestic Relations Order (DRO)

If you're subject to a DRO, all or part of your PLSO payment may be payable to former spouses and family members upon your termination and application for benefits.

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Things to Consider When Taking the PLSO

The monthly benefit reduction for taking a PLSO is permanent. Carefully consider the reduced benefit to be sure you can meet future financial obligations. The decision to take a PLSO at retirement should be made with great care.

To Learn More

This publication is intended to provide general information regarding the Partial Lump-Sum Option (PLSO) and does not constitute legal, tax, financial or investment advice and should not be construed as such or relied upon for those purposes. Nothing herein should be construed to establish, amend, enlarge, reduce, or otherwise affect any benefits, rights, responsibilities, or privileges. If there is a conflict between any applicable law, rule, regulation, plan provision, or contract and the contents of this publication, the law, rule, regulation, plan provision, or contract shall prevail. For specific information on your account, contact our office in Salt Lake City or St. George.

For more information regarding 401(k), 457(b), IRAs, contact the URS Savings Plans Department at 801-366-7720 or 800-688-401k.



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Find information and resources
at www.urs.org/us/retiresoon.