



MONTGOMERY COUNTY RETIREMENT FOCUS

December 2022

Important Year-End Reminders

Required Minimum Distribution

Will you be 72 this year 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 once they reach age 72.

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 1st of every month unless it's a holiday or weekend, then it is the next business day.

2023 ERS Pension Deposit Schedule

January 3, 2023	July 3, 2023
February 1, 2023	August 1, 2023
March 1, 2023	September 1, 2023
April 3, 2023	October 2, 2023
May 1, 2023	November 1, 2023
June 1, 2023	December 1, 2023

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 www.montgomerycountymd.gov/mcerp to obtain copies of these forms.

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

You can access the beneficiary forms at:
<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 301-279-14234 or email retirement@montgomerycountymd.gov.

New IRS 2022 Form W4P

The IRS recently issued the revised 2022 Form W-4P (Withholding Certificate for Periodic Pension or Annuity Payments), however, the IRS is postponing the requirement to begin using the forms until January 1, 2023.

Beginning January 1, 2023 all retirees upon make a change to their federal tax withholding will need to use the form shown below. Visit our website to obtain the new form: www.montgomerycountymd.gov/mcerp.

Form W-4P (Rev. January 2022) Department of the Treasury Internal Revenue Service		Withholding Certificate for Periodic Pension or Annuity Payments ► Give Form W-4P to the payer of your pension or annuity payments.		OMB No. 1545-0074 2022
Step 1: Enter Personal Information	(a) First name and middle initial	Last name		(b) Social security number
	Address			
	City or town, state, and ZIP code			
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly or Qualifying widow(er) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			
Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See pages 2 and 3 for more information on each step and how to elect to have no federal income tax withheld (if permitted).				
Step 2: Income From a Job and/or Multiple Pensions/ Annuities (Including a Spouse's Job/ Pension/ Annuity)	Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. See page 2 for examples on how to complete Step 2. Complete only if you have income from another job, more than one pension or if your spouse receives income. Do only one of the following.			
	(a) Reserved for future use.			
	(b) Complete the items below.			
	(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" . . . ► \$			
	(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-" . . . ► \$			
(iii) Add the amounts from items (i) and (ii) and enter the total here ► \$				
TIP: To be accurate, submit a 2022 Form W-4P for all other pensions/annuities. Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019. If you have self-employment income, see page 2.				
If (b)(i) is blank and this pension/annuity pays the most annually, complete Steps 3-4(b) on this form. Otherwise, do not complete Steps 3-4(b) on this form.				
Step 3: Claim Dependent and Other Credits	If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):			3 \$
	Multiply the number of qualifying children under age 17 by \$2,000 ► \$			
	Multiply the number of other dependents by \$500 ► \$			
	Add other credits, such as foreign tax credit and education tax credits ► \$			
Add the amounts for qualifying children, other dependents, and other credits and enter the total here				
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends			4(a) \$ N/A
	(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here			4(b) \$ N/A
	(c) Extra withholding. Enter any additional tax you want withheld from each payment			4(c) \$
	(d) No taxes withheld from your pension or annuity.			<input type="checkbox"/>
Step 5: Sign Here	Your signature (This form is not valid unless you sign it.)			Date

Step 1: Enter your demographic information and indicate your filing status.

Step 2: Complete only if you receive more than 1 pension, your spouse receives income or if you receive income from another job.

Step 3: Deals with child tax credit and credit for other dependents.

Step 4: Complete (c) if you want additional withholdings or (d) if you do not want any taxes withheld.

Important ERS Retiree Information

9898 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		1 Gross distribution \$ 25,801.44		OMB No. 1545-0119 2022 Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2022 General Instructions for Certain Information Returns.
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Montgomery County Employees' Retirement System 101 Monroe Street, 15th Fl Rockville, MD 20850		2a Taxable amount \$ 25,547.88	2b Taxable amount not determined <input type="checkbox"/> Total distribution <input type="checkbox"/>		
PAYER'S TIN 30-0606393	RECIPIENT'S TIN 111-11-1111	3 Capital gain (included in box 2a) \$ 0.00	4 Federal income tax withheld \$ 2,247.28		
RECIPIENT'S name Benny Pension		5 Employee contributions/ Designated Roth contributions or insurance premiums \$ 253.56	6 Net unrealized appreciation in employer's securities \$ 0.00		
Street address (including apt. no.) 100 Retirement Row		7 Distribution code(s) 7	8 Other \$ %		
City or town, state or province, country, and ZIP or foreign postal code Rockville, MD 20850		9a Your percentage of total distribution %	9b Total employee contributions \$ 0.00		
10 Amount allocable to IRR within 5 years \$ 0.00	11 1st year of desig. Roth contrib.	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld \$ 1,020.00	15 State/Payer's state no.	16 State distribution \$ 25,547.88
Account number (see instructions)		13 Date of payment	17 Local tax withheld \$	18 Name of locality	19 Local distribution \$

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

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

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 27, 2023.

FORM MW 507P Comptroller of Maryland Revenue Administration Division 110 Carroll Street Annapolis, Maryland 21411-0001		Maryland Income Tax Withholding for Annuity, Sick Pay and Retirement Distributions	
Type or print full name		Social Security number	
Home address (number & street)			
City, state and zip code			
A. Contract claim or identification number		N/A	
B. Enter the amount withheld from each annuity, sick pay or retirement distribution payment		\$	
I request voluntary income tax withholding from any annuity, sick pay or retirement distribution payments as authorized by Section 10-9-07(b) of the Tax-General Article of the Annotated Code of Maryland.			
COMWRAD 044 11-42		(Date)	

If you move into Maryland, make sure to complete the MW507P form to have State taxes withheld. If you move outside of Maryland, we will stop your Maryland state tax deductions. We do not withhold taxes for states other than Maryland.

To assist you in calculating your withholdings, you can use the link to the calculator (shown below) which can be found on our website. <https://interactive.marylandtaxes.gov/business/calculators/WHCalc2022.asp>

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:

1

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 of the prior year through May 1 of the current year. It is applied July 1. If you retire during the prior fiscal year your COLA will be prorated.

2

Reduction of Benefit:

Your Social Security benefit is separate 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

3

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.

4

Social Security Seminars:

Social Security seminars are held 3 times a year virtually from 2-4pm. To register, please sign-up by using the link shown below:

<https://www.signupgenius.com/go/5080E4EA4A62AA6F85-2023>

5

Health Insurance:

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

6

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. To obtain forms for tax or direct deposit changes, visit our website at:

<https://www.montgomerycountymd.gov/mcerp/retirees.html>

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

7

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/>

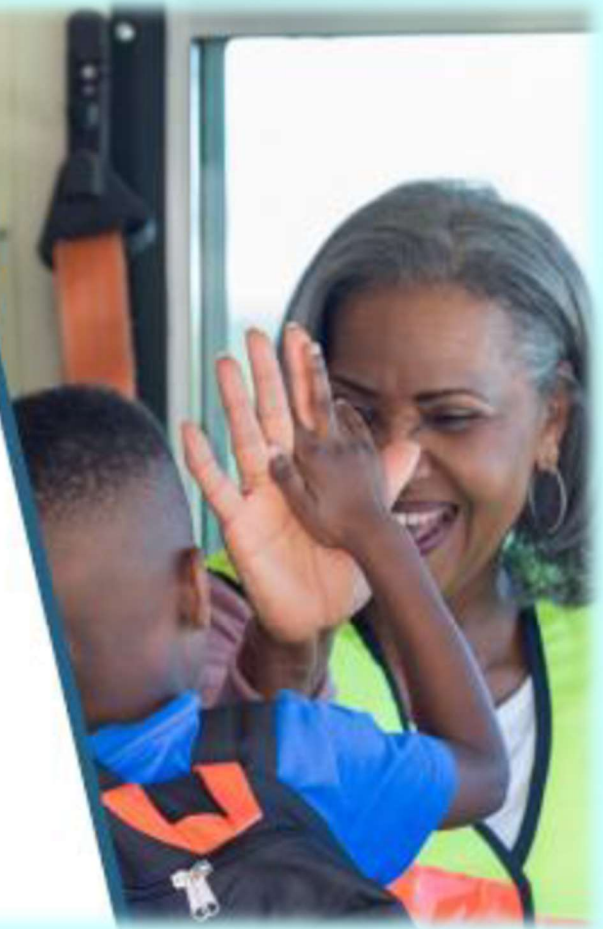
Maryland's Largest School District

MONTGOMERY COUNTY PUBLIC SCHOOLS

Expanding Opportunity and Unleashing Potential

MCPS Is Hiring Bus Operators !

- Competitive pay -> **\$23.17/hour***
- Paid training
- Split-shift schedule
- Guaranteed 30 hours a week
- Summer work available



Greetings former Montgomery County Employees!

Montgomery County Public Schools, Department of Transportation, is hopeful you will be able to support our students and decide to become one of our valuable school bus drivers or school bus attendant.

These two positions are incredibly important as we provide access to education for over 100,000 students each day.

Your commitment to Montgomery County and its families will be a great help, even if it's just one or two days a week. If you are interested in coming on-board as a substitute or full-time driver or attendant.

You can also visit the Shady Grove Bus Depot, 16651 Crabbs Branch Way, to apply in person. This will of course involve some training, but at no cost to you.

Questions? Please contact our transportation Human Resources team at (240)740-6080 for Abby Martin **or** send an email to HRDOT@mcpsmd.org.

<https://www.montgomeryschoolsmd.org/departments/careers/>

**starting Jan 2023*

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



Answers to your specific retirement questions:
retirement@montgomerycountymd.gov



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

Montgomery County Employee Retirement Plans
Executive Office Building
101 Monroe Street, 15th Floor
Rockville, MD 20850