

# Commonly Asked Questions: 1099-Rs

Each January PERS mails Internal Revenue Service Form 1099-R for tax reporting to everyone who received a PERS benefit in the prior calendar year. Forms will be sent to your address on file with PERS. If you need to change your address, you can fill out the [Information Change Request](#) form or change your address using [Online Member Services](#) (OMS).

PERS cannot provide tax advice, but below are some common questions and answers about 1099-Rs as related to your PERS benefits.

## Who can help me with taxes?

A qualified tax advisor, the IRS, or the Oregon Department of Revenue can help. PERS does not recommend any specific tax advisors and cannot comment on the taxability of benefits.

IRS Customer Service: 800-829-1040

Customer service representatives are available Monday through Friday, 7 a.m. to 7 p.m. local time (Alaska and Hawaii follow Pacific Time). Assistance via chat and email is also available. [www.irs.gov](http://www.irs.gov)

Oregon Department of Revenue: 503-378-4988 or 800-356-4222

Customer service phone hours are Monday through Friday, 7:30 a.m. to 5 p.m. Pacific Time, though phone lines are closed on Thursdays from 9 to 11 a.m. <http://www.oregon.gov/DOR>

## Why did I receive multiple 1099-Rs?

You may receive more than one 1099-R if you received monthly retirement benefits *and* any of the following:

- beneficiary benefits,
- alternate payee benefits,
- a lump-sum installment,
- police & fire unit benefits,
- you directly rolled over any portion of your benefit (i.e., Roth, IRA, Oregon Savings Growth Plan), or
- you turned age 59 ½ in the last calendar year.

Each 1099-R will indicate the reason for the distribution in Box 7. **The meanings of each code are listed on the back of the 1099-R.** For example, if you are receiving a retiree benefit (code 2 or 7) and a beneficiary benefit (code 4), you may receive a 1099-R for each separate account.

If one 1099-R has distribution code 2 in Box 7 and the second 1099-R has distribution code 7, this is because you turned age 59 ½ in that tax year. One 1099-R is for benefit payments before you turned 59 ½, and the other is for benefit payments after. Add the amounts from the two 1099-Rs together for an annual total.

## Why did I receive a W-2 in addition to my 1099-R?

Your benefit amount exceeded what could be paid out of a qualified plan under Internal Revenue Code (IRC). You are receiving part of your monthly benefit from the Benefit Equalization Fund (BEF). BEF payments are reported as earnings on the W-2.

## Why aren't health insurance premiums reported on my 1099-R?

PERS Health Insurance premium information is not required on the 1099-R. You may contact PERS Health Insurance at 800-768-7377 or (503-224-7377 in Portland) for a health insurance premium statement.

## **Box 2b is checked. Why was my “taxable amount” not determined? How can I determine it?**

PERS does not have enough information to determine a “taxable amount,” but a tax advisor can help. The tax advisor might need the amount of after-tax dollars in your account at retirement. This amount may be incomplete because employers were not required to report the after-tax status of PERS contributions until 1992, when the 1099-R replaced the W-2P form.

## **What does Box 5 mean?**

It is the part of your retirement benefit that was paid back to you with after-tax money, like a “non-taxable” amount. This money could have originated from after-tax contributions or from after-tax purchases at retirement. Funds received by trustee-to-trustee transfer are not included in this amount because these funds are pre-tax.

## **What is the Payee Account Number?**

It is a unique number based on your PERS number that is used for 1099-R reporting purposes. Your Social Security number is located in the lower right corner.

## **PERS directly transferred my rollover distribution to my IRA or another qualified plan. How will you report this to the IRS?**

PERS will report the rollover amount in a 1099-R with code G to indicate it was a direct rollover.

## **Part of my PERS benefit(s) is being paid to an ex-spouse, child support, IRS lien, etc. How will the benefit be reported?**

Separate 1099-R forms are issued to each payee showing the amount received by the payee. Based on the divorce decree of some accounts, a member may be responsible for the taxes on the alternate payee benefits; if that is the case, PERS does not issue a 1099-R to the alternate payee, and all benefits are reported on the member’s 1099-R. Child support and IRS liens are included in the amount reported in Box 1 of the 1099-R.

## **A family member died. How does PERS report that income to the IRS? How can I get a copy of the member’s 1099-R?**

The information is reported in the same way it was reported when the member was alive, i.e., as on previous years’ 1099-Rs. Please consult a tax advisor if you have questions about a death benefit with code 4, which may have different taxability rules than a normal retirement benefit.

1099-Rs are sent by the end of January to the deceased member’s address on file as of December 31 of the tax year. It cannot be mailed earlier.

If you need a duplicate copy of a deceased member’s 1099-R, please call PERS Member Services at 888-320-7377 or write to PERS at P.O. Box 23700, Tigard, OR 97281-3700. You may need legal documentation depending on your relationship to the deceased member.

## **What if I have other PERS questions?**

PERS Member Services is available Monday through Friday, 8:30 a.m. to 5 p.m. Pacific Time at 888-320-7377. You can also email [PERS.Member.Services@state.or.us](mailto:PERS.Member.Services@state.or.us).