

the FYI newsletter

a spring and fall publication of the Richmond Retirement System

Fall / 2012 / Issue # 38

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New! Online Services

The RRS launched RAPIDS Retiree Self Service to make viewing your payslip, submitting a W-4P, or updating your address easier.

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Special Tax Issue

Everything you need to know for 2012, including contact information and a 1099-R miniguide to help you quickly find what you're looking for.

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Pension Income Verification

The RRS receives hundreds of requests each year. Did you know that your *Certificate of Retirement* might be all you need?

page 4

Cut & Save

This page has important information including pay dates. Please cut along the dotted line and save this schedule for your records.

New! Online Services:

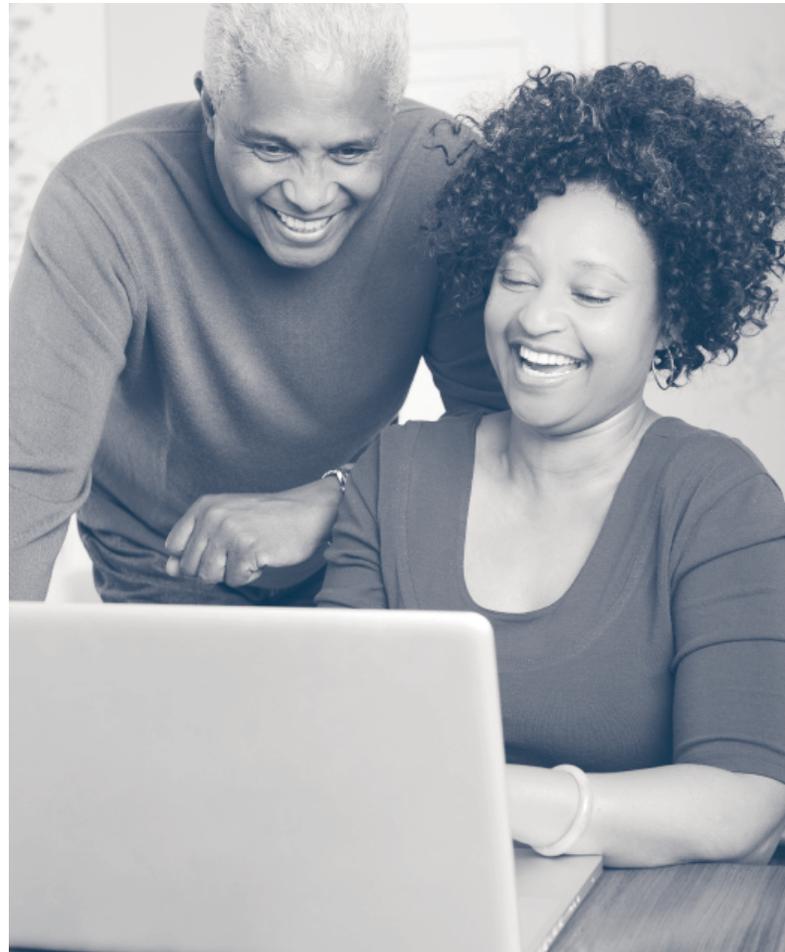
View Your Payslip Anytime, Anywhere

National surveys tell us that more and more retirees are using the internet. More importantly, *you* tell us that you are using the internet, and expect easy-to-use online services. In response, the RRS has partnered with the City of Richmond to develop RAPIDS Retiree Self Service, a web-based tool to help you view payslips, end of year tax statements, and update your personal information.

While retirees without computers will still be able to call or visit our office to request forms, retirees with computers will benefit from the new automated services, including the ability to make changes, such as submitting an IRS Form W-4P, instantly.

For recent City of Richmond retirees who are used to using RAPIDS Employee Self Service, the site will look familiar. For others, the RRS has developed a series of training videos and step-by-step instructions; this includes a video on how to log in for the first time. These are available by clicking *View Video Tutorials and FAQs* on the RRS homepage.

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The RRS Special Tax Issue:

What Retirees Need to Know

In January the RRS will print and mail end of year tax statements. The 1099-R, a federally mandated information return, contains important withholding information that you will need to file federal and state income taxes.

RRS employees are available to answer questions about the contents of your 1099-R; however, tax-related questions should be answered by a professional tax advisor or tax department representative. The contact information for the IRS and Virginia Department of Taxation is 1-800-829-1040 and 804-

367-8031, respectively. Additionally, both organizations have websites: www.irs.gov and www.tax.virginia.gov. Individuals who live outside of the commonwealth should contact their state's department of taxation; the RRS only accepts W-4P and VA-4P withholding forms and will not withhold taxes for any other state or local government.

Many organizations offer special services for retirees, including IRS publications and IRS counseling options. Additional information about these resources is available by calling the IRS at the toll free number mentioned above or by visiting www.irs.gov/Individuals/Seniors-&-Retirees.

The RRS offers multiple ways to keep in touch, and updating your primary address, where the RRS will mail your 1099-R, has never been easier. Retirees with internet access can visit www.richmondgov.com/retirement and click *Forms* to download and print a *Name and/or Address Change Form*, or they can log in to RAPIDS Retiree Self Service to make the change instantly. Retirees can also call 804-646-5958 to have forms mailed or stop by during walk-in hours, Monday thru Friday 10 a.m. to 12 p.m. and 1 p.m. to 3 p.m.

1099-R Miniguide

for additional information, contact the IRS

The image shows a Form 1099-R with several boxes highlighted by blue callouts. The callouts are:

- Box 1: Gross Distribution** - Points to Box 1 (Gross distribution).
- Box 2a: Taxable Amount** - Points to Box 2a (Taxable amount).
- Box 4: Federal Income Tax Withheld** - Points to Box 4 (Federal income tax withheld).
- Box 5: Employee Contributions** - Points to Box 5 (Employee contributions / Designated Roth contributions or insurance premiums).
- Box 7: Distribution Code(s)** - Points to Box 7 (Distribution code(s)).
- Box 12: Virginia Income Tax Withheld** - Points to Box 12 (State tax withheld).

Box 1: Gross Distribution
What the RRS paid you in 2012.

Box 2a: Taxable Amount
The total taxable amount for 2012.*
Box 1 - Box 5 = Box 2a.

Box 4: Federal Income Tax Withheld
The total amount of federal taxes withheld in 2012.

Box 5: Employee Contributions
The total amount of nontaxable pension payments the RRS paid you in 2012.

Box 7: Distribution Code(s)
This shows the distribution type, and more information about Box 7 is located on the back of your form.

Box 12: Virginia Income Tax Withheld
The total amount of Virginia taxes withheld in 2012.

*The total taxable amount is **not** reduced by HELPS amounts, pre-tax health insurance deductions for retired police officers and firefighters.

Pension Income Verifications

The RRS is often the first to know when a retiree is moving to a new residence or making a big purchase; we process hundreds of pension income verifications each year for retirees. But did you know that you may already have the proof of income you need to satisfy most lenders?

For the past five years, the RRS has issued formal *Certificates of Retirement*, and these documents will meet most lender requirements for proof of income, and - for retirees without certificates - recent paystips will too. In some cases, bank statements that show monthly direct deposit payments or copies of 1099-Rs will also fulfill lender needs. In instances where these documents will not suffice, retirees should submit a:

Benefit Information Request Form

For retirees who want a monthly pension verification sent directly to their home.

or

Authorization to Release Information to a Third Party Form

For retirees who want a monthly pension verification sent directly to their lender.

These documents can be used for monthly pension verifications or to assist with other retirement-related requests; they are available by contacting the RRS or looking online at www.richmondgov.com/retirement/forms.aspx.

“Retirees can fill out a RRS form to receive proof of income, but these forms typically take five business days to process,” Kristina Friar, RRS Marketing & Public Relations Specialist said. “With wait times partially due to the volume of requests that the RRS receives, we want retirees to know what their options are; not all lenders will require a monthly pension verification from our office. A *Certificate of Retirement* or series of paystips will often do the trick.”

RAPIDS Retiree Self Service Will:

1

Allow you to update your personal information. This includes your address, phone number, and email address. You can also indicate whether you prefer to receive RRS communications, like this newsletter, by email or US mail. (The RRS will always need to use US mail for some communications, such as 1099-Rs.)

2

Enable you to view paystips from 08/31/2012 forward. Paystips have information about your gross pay, net pay, and include year-to-date amounts. If you have questions about a payment amount, you can view detailed information about your tax withholdings and deductions. A check or deposit number is also provided to better track your payments.

3

Allow you to submit an IRS Form W-4P. The Tax Form tab allows you to update your federal tax withholding information online. To submit a Virginia Department of Taxation Form VA-4P, you will need to download a PDF and mail it to the RRS.

4

In the future, the system will expand. It will store copies of your 1099-Rs and, if applicable, the system will allow you to view detailed information about your health and dental plans.

5

For your protection, RAPIDS Retiree Self Service will not allow you to make direct deposit, health/dental, beneficiary, or other sensitive changes. These transactions will still require a signature, with forms available at the RRS website.

To explore RAPIDS Retiree Self Service, visit www.richmondgov.com/retirement, and click View Video Tutorials and FAQs to get started.

If you have questions or want to sign up for a RAPIDS Retiree Self Service workshop, please call or email the RRS at 804-646-5958 or retirement@richmondgov.com.

RRS

Building your financial future.

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What's New:

Retirees can now view payslips in RAPIDS Retiree Self Service, and for retirees with direct deposit, the RRS will only mail payslips to retiree homes in December.

In the past, retirees with direct deposit would only receive payslips in December, to show year end totals, or when their net pension amount changed.

To learn more about RAPIDS Retiree Self Service, see page 1.

MONTH	PAYDAY
October 2012	10/31/2012
November 2012	11/30/2012
December 2012	12/31/2012
January 2013	01/31/2013
February 2013	02/28/2013
March 2013	03/29/2013
April 2013	04/30/2013

Learn to Use RAPIDS

The RRS will offer small group sessions to help retirees log in, update personal information, and view payslips in RAPIDS Retiree Self Service. To find out more about upcoming workshops, please email retirement@richmondgov.com.