



# JUDGES' SYSTEM AT A GLANCE

## JUDGES' RETIREMENT SYSTEM

**A**s a judge, your date of hire will determine which retirement system you belong to. An overview of the 1977 and 1985 Judges' Retirement Systems is provided below.

### Member Eligibility

In order to be eligible for membership in either the 1977 or 1985 Judges' Retirement System, judges must have served or currently be serving in any of the following courts:

- Supreme Court of the state of Indiana
- Court of Appeals of the state of Indiana
- Circuit Court of a Judicial Circuit
- Superior Court of a county
- Criminal Court of a county having a separate criminal court
- Probate Court of a county having a separate probate court
- Juvenile Court of a county having a separate juvenile court
- Municipal Court of a county
- County Court of a county

### Participation

You are a member of the 1977 Judges' Retirement System if you became a judge before Sept. 1, 1985, unless you elected not to participate within 20 days after you began your term as a judge. If you terminated your employment and returned to your position as a judge after Aug. 31, 1985, you remain in the system. If you became a judge after Aug. 31, 1985, you are a member of the 1985 Judges' Retirement System.

Individuals serving as full-time magistrates on July 1, 2010, may elect to become participants in the 1985 Judges' Retirement System. After July 1, 2010, all new magistrates will become members of the 1985 Judges' Retirement System.

### Contributions

If you are a member of either the 1977 or 1985 Judges' Retirement System, you are required to contribute 6 percent of your salary for a maximum period of 22 years.

No contributions are due to either retirement system during the time that you are not employed as a judge or for any period of service as a senior judge.

### Retirement Eligibility

You will be eligible for normal retirement with full benefits if you:

- Are age 65
- Have at least eight years of service credit as a judge or
- Are at least age 55 and your age in years plus years of creditable service is at least 85 (Rule of 85)

Your benefit is effective the day following your termination date of employment as a judge. You are entitled to a monthly benefit payable for life in an amount calculated according to Indiana statutes. The calculation is based on the applicable salary multiplied by a percentage based on your years of service.



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### Retirement Eligibility, cont.

You will qualify for early retirement with reduced benefits if you:

- Are between the ages of 62 and 65
- Have at least eight years of service credit as a judge

Early retirement benefits are reduced by 0.1 percent for each month that your retirement precedes your 65th birthday. This does not apply to those judges who are separated from service because of permanent disability.

### Disability Benefits

You are considered to be disabled if the INPRS board has received a written certification of your disability by two licensed and practicing physicians appointed by the board. This certification must state that you are totally incapacitated from earning a livelihood and your condition is likely permanent.

The salary that was paid to you at the time of your separation from service, multiplied by a percentage based on your years of service will determine the amount of the disability benefit.

A participant receiving disability benefits must be re-examined at least once a year. If a participant is no longer disabled, benefits stop as of the date of the physician examination, unless the participant meets the requirements for a retirement benefit.

### Survivor Benefits

Under both the 1977 and 1985 Judges' Retirement Systems, your designated spouse or child or children qualify for survivor benefits under the following circumstances:

- You died while receiving benefits
- You completed at least eight years of service, and were serving as a judge at the time of death
- You completed at least eight years of service, and were not still serving as a judge but you were entitled to a future benefit
- You were permanently disabled at the time of your death

## Withdrawal from the System

### 1977 System

You may withdraw an amount equal to the total sum you contributed to the fund if you terminate your service as a judge and have less than 12 years of creditable service.

### 1985 System

If you cease service as a judge under the 1985 System other than by death or disability and if you are not eligible for a retirement benefit, you are entitled to withdraw the total sum contributed from the system.



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### Income Tax Consequences

If you terminate employment prior to being eligible for monthly benefits, you may be eligible to elect a distribution of your member contributions. If you do so, you will be taxed (as ordinary income) for the year the distribution is received.

- The 6 percent contribution made on a pre-tax basis, and
- All contributions which you personally excluded on your individual tax returns.

If you are under age 59 1/2 at the time your distribution is paid, you may be subject to an additional 10 percent federal tax penalty on the above taxable amount. The 6 percent contributions that were withheld from your pay and included on your individual tax return are not subject to further taxation.

An explanation of your three annuity payment choices and the tax consequences of those choices follows:

- **Choice A:** To have the total amount of your contributions (less the mandatory withholding for federal income tax) PAID DIRECTLY TO YOU.
- **Choice B:** To have the entire taxable portion of your contributions paid in the form of a DIRECT ROLLOVER to an Individual Retirement Account (IRA) or a Qualified Retirement Plan which has provisions allowing it to accept the rollover on your behalf.
- **Choice C:** (May be selected only if you want a partial rollover amount of at least \$500) To have a part of the taxable portion of your contribution paid in the form of a DIRECT ROLLOVER to an IRA or a Qualified Retirement Plan which has provisions allowing it to accept the rollover on your behalf.

**NOTE:** INPRS is required to withhold 20 percent of any taxable portion of your contributions which are paid directly to you and not paid in the form of a DIRECT ROLLOVER to an IRA or a Qualified Retirement Plan.

If you elect Choice B or C, INPRS will deliver to you a check payable to the trustee of the IRA or Qualified Retirement Plan and a separate check payable to you representing your non-taxable portion and any taxable portion not directly rolled over. You will then be responsible for delivering the check to the trustee of the IRA or Qualified Retirement Plan that you specified on your distribution form.

**NOTE:** There will be no income tax withholding on any amount directly rolled over.

**CAUTION:** You should consult the trustee of your qualified plan or IRA or your professional tax advisor if you need further information regarding the taxes on your distribution.

Please call us toll-free at (888) 526-1687 if you have specific questions regarding your retirement benefits.

*Every attempt has been made to verify that the information in this publication is correct and up-to-date. Published content does not constitute legal advice. If a conflict arises between information contained in this publication and the law, the applicable law shall apply.*