



CAMBRIDGE RETIREMENT BOARD

125 CAMBRIDGE PARK DRIVE, SUITE 104, CAMBRIDGE, MASSACHUSETTS 02140
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Nadia Chamblin-Foster
Appointed Member

Michael P. Gardner
Appointed Member

Joseph F. McCann
Ex-Officio

James H. Monagle
Elected Member

Francis E. Murphy, III
Elected Member

Ellen K. Philbin
Executive Director

INSTRUCTIONS FOR COMPLETING YOUR REFUND APPLICATION

- **Complete all sections on pages 2-6. Leave all other sections blank.**
- **Be sure to initial next to each of the statements on pages 3 and 4. Your application will be invalid if any of these statements are skipped.**
- **If you began working for the City of Cambridge prior to April 2, 2012, please read the Important Notice on page 1 very carefully as it describes the consequences of taking a refund in the event that you return to government service at a later date.**
- **If applying in person, submit photo ID. If applying by mail, have your signature notarized.**
- **If you request a ROLLOVER, have your financial institution submit a "Letter of Acceptance" signed by a representative of the company, which should include your account information.**
- **Be advised that this process may take from thirty (30) to ninety (90) days for completion. If you are rehired by a City or Town, or by the State, it must be reported to this office. If your address changes prior to January 31, you must inform us so that your tax information can be forwarded.**
- **If you have more than ten (10) years of service, you must sign the vested member release form. We strongly encourage all vested members to meet with a member of the retirement staff and review a benefit estimate before applying for a refund.**



Introduction

Application for Withdrawal of Accumulated Total Deductions (Refund Form) Pursuant to Massachusetts General Laws, Chapter 32, Section 10(4)

Form Last Revised: June, 2021

The *Application for Withdrawal of Accumulated Total Deductions (Member)* allows an eligible member to receive a refund of the accumulated total deductions in his or her annuity savings (retirement) account. An eligible member is a member who:

- Has terminated employment with the governmental employer sponsoring the plan and is not seeking to be restored to his or her position;
- Has no intention to accept a position in the service of the Commonwealth or any political subdivision thereof which would entitle him or her to become a member of any similar contributory retirement system;
- Is not receiving a retirement allowance; or
- Is not receiving Workers' Compensation.

Members are advised to review the following and address any questions or concerns to your retirement board:

- The amount of interest that members receive will vary, depending upon the years of creditable service and the nature of the separation from employment.
- Your employer must certify the termination of your employment, that you owe no obligation to the employer under an employee benefit plan, and sign this application.
- Your retirement board will determine if you are eligible for a refund of your accumulated total deductions.

Important Notice

Be aware that if you take a refund of your retirement contributions you will terminate your membership and your rights in the retirement system. If you later return to Massachusetts public service on or after April 2, 2012 after receiving a refund, **YOU WILL BE CONSIDERED A NEW EMPLOYEE** and will be subject to the law then in effect.

If you became a member prior to April 2, 2012, and you take your money out of the system, you will be subject to changes in the law brought about by Chapter 176 of the Acts of 2011, including, but not limited to, the following:

- A new age factor table that will require you to work longer for the same or a similar benefit that you would receive under the previous law.
- An increase in the salary average period used in the retirement benefit calculation formula from 3 years to 5 years.
- An increase in the minimum retirement age from age 55 to 60 (Group 1 only).

Instructions

- Members must complete pages 2, 3, 4, and 5 and sign on page 6.

Application for Withdrawal of Accumulated Total Deductions (Refund Form)

Pursuant to Massachusetts General Laws, Chapter 32, Section 10(4)

Form Last Revised: June, 2021

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Retirement Board: Please enter your retirement board information here.

Name of Retirement Board:

Address:

City/Town:

Zip Code:

Telephone:

Fax:

Member's Information:

Member's Last Name

Member's First Name

Social Security # (last four)

Street Address:

City/Town:

State:

Zip Code:

Email:

Phone:

Section A: Preliminary Statements

1. It is my intention to accept a position in the service of the Commonwealth or any political subdivision thereof which would entitle me to become a member of any similar contributory retirement system. ☐ YES ☐ NO
2. I have filed or intend to file a grievance or legal action regarding my separation from service. ☐ YES ☐ NO
3. I am receiving Workers' Compensation Benefits pursuant to the provisions of Massachusetts General Laws, Chapter 152. ☐ YES ☐ NO
4. I have been officially investigated for or charged with misappropriation of funds from my employer or convicted of any crime related to my office or position.
If **YES**, please provide documentation. ☐ YES ☐ NO
5. I am currently on a leave of absence. ☐ YES ☐ NO

Application for Withdrawal of Accumulated Total Deductions (Refund Form)**3**

Member Last Name:

First Name:

SSN:

***-**-____

Section B: To Be Completed By the Member

To the

Retirement Board

Date

| | | |
|---|--------------------------------------|---------------------|
| | ***-**-____ | |
| Name (Print) | Social Security # (last four) | Phone # |
| | | |
| Birth/Former Name (if different) | Email | Cell Phone # |
| | | |

I (Check One) ☐ terminated ☐ resigned from position, (job title) with the political subdivision of , effective .

I, the undersigned, hereby request that the amount in my Annuity Savings Fund account be paid to me as directed herein. I understand each statement set out below, and I have placed my initials in the box next to each statement below to indicate my understanding and my acceptance of the same:

- In consideration of the return of my accumulated total deductions, my membership in the Retirement System shall terminate.
- In consideration of the return of my accumulated total deductions, I hereby surrender all rights and privileges to which I was entitled as a member of the Retirement System.
- I am electing to receive a return of my accumulated total deductions as provided herein instead of any retirement allowance to which I may be, or to which I may become entitled.
- In electing to receive this return of my accumulated total deductions I am also giving up any rights any beneficiary may have on my account in the Retirement System.
- If I return to employment which renders me eligible to become a member of a Retirement System, I will do so with the status of a new member. This means my rights and privileges will be those in effect the day I become a member of the system.
- If I return to employment which renders me eligible to become a member of a Retirement System, I will need to repay the amounts withdrawn by me, with interest, if I wish to be credited with the service associated with this withdrawal.
- The Retirement Board shall provide my name and my intent to withdraw my money from the Retirement System to the Massachusetts Department of Revenue to be certain I have no child support obligations owed to that Department.

Application for Withdrawal of Accumulated Total Deductions (Refund Form)

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Member Last Name:

First Name:

SSN:

***-**-_____

Section C: Method of Payment**Statements Regarding Tax Consequences**

I have initialed the statements below to indicate that I agree with them:

- I understand that my accumulated total deductions may have both a taxable and non-taxable component, due to changes in the law which took effect in 1988. _____
- If I began service in 1988 or after, it is unlikely that any portion of my accumulated total deductions will not be subject to federal tax withholding. _____
- I have read the Special Tax Notice Regarding Plan Payments provided to me by the Retirement Board. _____
- I understand that if I choose to directly receive the return of my accumulated total deductions, 20% of the taxable portion of such return will be withheld and paid to the Internal Revenue Service. _____
- If I choose to directly received the return of my accumulated total deductions and I am under age 59½, I may be subject to a further tax penalty. _____

Select one box for the "Taxable Portion" and, if it applies to you, one box for the "Non-Taxable Portion" on the next page.

TAXABLE PORTION

- ☐ 1. Direct Rollover.
- ☐ 2. Paid directly to me. 20% will be withheld for federal taxes and remitted to the Internal Revenue Service.
- ☐ 3. Partial Direct Rollover in the amount of _____ % of the balance or \$ _____
The remaining balance will be paid directly to me, less 20% federal tax withholding, which will be remitted to the Internal Revenue Service.

Account Information for Rollover:

Name of eligible 401(a) Plan, 401(k) Plan, 403(b) Plan, Governmental 457(b) Retirement Plan, IRA, Roth IRA, or SIMPLE IRA*

Address of above-listed entity

City

State

Zip Code

Member's Account Number with above-listed entity

Member's Address

City

State

Zip Code

Is this Account a SIMPLE IRA?

☐ Yes☐ No

If YES, has the account been established for at least two years?

☐ Yes☐ No

* After a two-year waiting period, SIMPLE IRA accounts can receive rollover eligible funds from other types of retirement plans, including 401(a) governmental plans. The two-year period begins on the first day on which the employer deposits contributions in the SIMPLE IRA.

Member Last Name:

First Name:

SSN:

***-**-

Section C: Method of Payment *(Continued):***NON-TAXABLE PORTION**☐

1. Direct Rollover.

☐

2. Paid directly to me.

☐3. Partial Direct Rollover in the amount of % of the balance or \$ **Account Information for Rollover:**

Name of eligible 401(a) Plan, 401(k) Plan, 403(b) Plan, IRA, or Roth IRA*

| | | | |
|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|----------------------|----------------------|----------------------|----------------------|

Address of above-listed entity

City

State

Zip Code

Member's Account Number with above-listed entity

| | | | |
|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|----------------------|----------------------|----------------------|----------------------|

Member's Address

City

State

Zip Code

* You may roll over a payment that includes after-tax contributions to an eligible 401(a) or 403(b) plan, but only if the receiving plan separately accounts for after-tax contributions. Governmental section 457(b) plans and SIMPLE IRAs are not eligible.

Application for Withdrawal of Accumulated Total Deductions (Refund Form)

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Member Last Name:

First Name:

SSN:

***-**-

I sign this application under the penalties of perjury. I affirm that the information presented in this application is correct, complete and accurately presented. I understand that giving false or incomplete information may subject me to the loss of my benefits as well as civil and criminal penalties.

I request payment according to the method selected on pages 4-5.

Applicant's Signature:

Print Name:

Signature:

Date:

To Be Completed By Witness (should be disinterested party):

Name (Print):

Street Address:

City/Town:

State:

Zip Code:

Signature:

Date:

Member Last Name:

First Name:

SSN:

***-**-_____

Section D: To Be Completed By the Department Head

This is to notify the Retirement Board that was
 (job title) in the department in the political subdivision
of who (check one) ☐ resigned ☐ terminated on and that
the above named employee will appear on the payroll for the last time on the pay period ending .

1. To the best of my knowledge the above named employee is not leaving to accept a position in the service of the Commonwealth or any political subdivision thereof which would entitle the above to become a member of any similar contributory retirement system. ☐ YES ☐ NO
2. To the best of my knowledge, the above named employee is not seeking to be restored to the position such employee previously held. ☐ YES ☐ NO
3. Is the above employee receiving Workers' Compensation benefits? ☐ YES ☐ NO
4. Does the above employee owe any money to the employer under an employee benefit plan, including a cafeteria plan established pursuant to 26 U.S.C. section 125? (If YES, please provide documentation.) ☐ YES ☐ NO
5. Has this employee been officially investigated for or charged with misappropriation of funds from his/her employer or convicted of any crime related to his/her office or position? (If YES, please provide documentation.) ☐ YES ☐ NO

Department Head (Print Name):

Signature/Department Head:

Date:

Member Last Name:

First Name:

SSN:

***-**-____

Section E: To Be Completed By the Retirement Board**Determination of Eligibility for Return of Accumulated Total Deductions**

Members are eligible for a refund of accumulated total deductions under the following conditions.

Check the condition that applies to this member:

- ☐ 1. The member is leaving service and does not intend to take a position in the service of the Commonwealth or any political subdivision thereof to the provisions of Massachusetts General Laws, Chapter 32, Sections 1-28 and does not intend to seek to be restored to the position from which he/she left.
- ☐ 2. This member is also a member of another retirement system. However, no transfer of funds to the other system is taking place because he/she has a lesser amount in the Annuity Savings Fund of this system, and has elected to withdraw these funds in accordance with the law..

NOTE: The right to receive a retirement allowance or a return of accumulated total deductions is subject to the provisions of Massachusetts General Laws, including, but not limited to, Chapter 32, Section 15 pertaining to dereliction of duty by members and Massachusetts General Laws, Chapter 32, Section 19C pertaining to child support obligations.

Years of Creditable Service:

Months of Creditable Service:

Interest Provisions*

Members who entered into service **on or after January 1, 1984** are subject to the following provisions with respect to the refund of interest credited to their annuity accounts. Check the provision which applies to this member:

- ☐ 1. The member has less than 120 months (10 years) of creditable service and has voluntarily withdrawn from service. The member will receive 3% interest on accumulated total deductions.
- ☐ 2. The member has more than 120 months (10 years) of creditable service and has voluntarily withdrawn from service. The member will receive full regular interest on accumulated total deductions as set out in the statute.
- ☐ 3. The member was involuntarily terminated from service. The member will receive full regular interest on accumulated total deductions as set out in the statute, regardless of his or her amount of creditable service.

***NOTE:** In general, two years after leaving service, a member stops accruing interest on any money in their account.

Application for Withdrawal of Accumulated Total Deductions (Refund Form)**9**

Member Last Name:

First Name:

SSN:

***-**-____

Section E: To Be Completed By the Retirement Board *(Continued)***Refund**

Date of withdrawal:

Total in annuity savings account as of date of withdrawal: \$

Minus interest not eligible for refund: \$

TOTAL REFUND TO BE ISSUED:

Federal taxable portion \$

Federal non-taxable portion \$

AMOUNT REFUNDED *(Fill in those that apply)*

| | |
|---|----|
| To Member | \$ |
| To Dept. Revenue/Child Support Enforcement Unit | \$ |
| To Designated Plan (IRA, 401(k), 401(a), 403(b), 457) | \$ |
| To Internal Revenue Service | \$ |
| To Pension Reserve Fund (Veterans Only) | \$ |

Type of Plan:

Date of Retirement Board Vote Authorizing Refund:

Date Refund Issued:

Signature (Board Member or Administrator):

Print Name:

Date Signed:

VESTED MEMBER RELEASE

The Signor/Member of this Release has been specifically advised that by requesting and receiving a return of Signor/Member's accumulated deductions, as a result of the Signor/Member filing a Request for Return of Deductions under the provisions of M.G.L. Chapter 32 §11, the Signor/Member has been notified that upon the receipt of their accumulated deductions they will no longer be a member of the Retirement System and that the loss of membership severs any and all quasi contract rights that they have enjoyed since the time of membership in the Retirement System.

If the Signor/Member in the future returns to governmental employment in a position covered under the provisions of Chapter 32, their rights will be determined at the time of re-entry.

In order to purchase prior creditable service it will be necessary to comply with the Retirement System's policies related to the potential repurchase with interest assessed in accordance with the statute.

The Retirement Board is not responsible for the tax liability that the Signor/Member may incur from receiving the return of accumulated deductions. You should seek and obtain independent tax advice.

By withdrawing accumulated deductions, any and all claims of benefits under the provisions of Chapter 32 are being waived including claim for superannuation benefits in the future to which you may have been eligible because of vesting; any claim for accidental and/or ordinary disability; termination allowance and other associated benefits not covered by Chapter 32 such as health insurance. The acceptance of

the return of accumulated deductions result in a complete separation from the Retirement System for all purposes and for all benefits.

By signing this Release you acknowledge that you have been advised of the impact of your decision to withdraw your funds and have been advised that you cannot become a member in a Retirement System without appropriate re-employment in a position covered by Chapter 32.

Acknowledgment is hereby made that I have read all of the terms on the Request for Return of Accumulated Deductions as well as this Release and have no present intention to return to governmental employment.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS _____ DAY OF _____, 20____.

_____ Member Signature

_____ Member Printed Name

_____ Witness Signature

_____ Witness Printed Name