



# Managing Your Account for Civilian Federal Employees

Plan ♦ Contribute ♦ Invest

# Checklist for New Participants

- ✓ Safeguard your TSP account number, user ID, web password, and ThriftLine Personal Identification Number (PIN) to protect your account.
- ✓ Investigate whether you want to make traditional (pre-tax) contributions, Roth (after-tax) contributions, or a combination of both.
- ✓ Read about your TSP investment options.
- ✓ Decide whether you want to use one of our professionally designed Lifecycle Funds or manage your own TSP investments.
- ✓ Make a **contribution allocation** to direct the way your future contributions are invested.
- ✓ Make an **interfund transfer** to move your existing account balance into the funds of your choice.
- ✓ Decide if you need Form TSP-3 to designate beneficiaries for your account.

To learn more about the TSP, download a copy of the *Summary of the Thrift Savings Plan* from [tsp.gov](https://tsp.gov) or call the ThriftLine. (See inside back cover.)

# Welcome to the Thrift Savings Plan!

The TSP offers these important features to help you save for retirement:

- The TSP's low administrative costs increase your savings potential.
- You have a choice of making traditional (pre-tax) and/or Roth (after-tax) contributions.
- FERS employees are eligible for agency automatic and matching contributions.
- You have many investment options that provide broad diversification at a very low cost:
  - **Lifecycle Funds**, an automated investment tool that combines the TSP stock, bond, and government securities funds in professionally determined proportions based on when you expect to need the money; or
  - **Individual TSP Funds**, which you can combine in any way you choose.
- You can transfer money from other eligible employer plans or traditional individual retirement accounts (IRAs) to your TSP account.
- If you are turning age 50 or older, you may be able to make additional contributions toward the catch-up limit.
- If the need arises, you can borrow from your account.
- While still employed, you can make in-service withdrawals after age 59½ or for financial hardship.
- After you separate, you can keep your money in the TSP. You can also choose from one of several withdrawal options.

To get the most out of the TSP, you need to make several important decisions about your account. This booklet will help you get started if you are a civilian federal employee.

**Important:** There are significant procedural differences between civilian accounts, uniformed services accounts, and beneficiary participant accounts. Please refer to the TSP booklet *Managing Your Account for Members of the Uniformed Services* or the booklet *Managing Your Account for Beneficiary Participants* as appropriate.

# Getting Started

## Enrolling in the TSP

All newly hired (or rehired) civilian (FERS and CSRS) employees are automatically enrolled in the TSP. If you are automatically enrolled after October 1, 2020, your agency will deduct 5% from your basic salary (before taxes) every pay period and deposit it into your TSP account, unless you make an election to change or stop these contributions.<sup>1</sup>

If you were enrolled on or after September 5, 2015, then unless you choose another investment option, all contributions received by the TSP will be deposited into the Lifecycle (L) Fund most appropriate for your age. If you were rehired after a break in federal service, a number of factors affect how your contributions will be invested by default. It is especially important for you to review your statements to ensure your money is being invested according to your wishes.

If you enrolled before September 5, 2015, then until you choose another investment option, all contributions to your account will be deposited into the Government Securities Investment (G) Fund.

To begin making TSP contributions if you are not a new hire and are not currently contributing, you must submit Form TSP-1, *Election Form*, to your agency.

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<sup>1</sup> You may be able to request a refund of contributions made under the automatic enrollment program. See page 19 or visit [tsp.gov](https://tsp.gov) for more information about refunds.

This form is available from your TSP representative<sup>2</sup> or [tsp.gov](https://tsp.gov). Some agencies require electronic enrollment through systems such as Employee Express, LiteBlue, EBIS, myPay, or the NFC PPS. Check with your agency to see which one it requires.

To take advantage of this important retirement benefit, you should start your contributions as early as you can and consider contributing as much as you can.

## Types of Contributions

There are several types of contributions that can be made to your TSP account:

### Employee Contributions

- **Regular employee contributions** are payroll deductions that come out of your basic pay either before taxes are withheld (traditional) or after taxes have been withheld (Roth). (See page 5 for more information about traditional and Roth tax treatments for your employee contributions.) Each pay period, your agency will deduct your contribution from your salary in the amount you choose (or 5% if you have been automatically enrolled after October 1, 2020) and send your contribution to the TSP. Your agency will continue to do this until you make a new TSP election to change your contribution or stop it, or until you reach the applicable Internal Revenue Code (IRC) contribution limit (see pages 7 – 8).
- **Additional contributions toward the catch-up limit** are payroll deductions that participants who are turning age 50 or older may be eligible to make in addition to regular employee contributions. If you turn age 50 or older during the calendar year and reach the IRC contribution limit for regular employee contributions, you can make additional traditional and/or Roth contributions toward the catch-up limit. You must use the TSP-1,

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<sup>2</sup> Your TSP representative is generally a person in your personnel or human resources office.

*Election Form*, or your agency's electronic version for these contributions. (**Note:** Participants turning 50 or older should add any contributions toward the catch-up limit in the same place as their other TSP contributions.) If you meet the elective deferral limit and keep saving, your contributions will automatically start counting toward the catch-up limit. Separate catch-up elections are not required. You may start, stop, or change your contributions at any time. Your TSP election will stay in effect until you submit another election or until you leave federal service.

### **Agency Contributions<sup>3</sup> (for FERS employees only)**

**If you are a FERS employee**, you can receive two types of agency contributions:

- **Agency Automatic (1%) Contributions**—equal to 1% of your basic pay—are deposited into your TSP account every pay period, beginning the first time you are paid. These contributions are not taken out of your pay. Your agency gives them to you whether or not you contribute from your own pay.
- **Agency Matching Contributions** are made by agencies to the TSP accounts of FERS employees who contribute their own money to the TSP. Your agency matches your contributions dollar-for-dollar on the first 3% of basic pay you contribute per pay period, and 50 cents on the dollar on the next 2%. If you make both traditional and Roth employee contributions, the total percentage of pay you contribute will be used to calculate your Agency Matching Contributions.

Together, these agency contributions can equal as much as 5% of your basic pay. But you must contribute at least 5% in order to receive the full amount of agency money. This includes employees who were automatically enrolled. If you decrease your employee contribution amount below 5%, you will not receive the full amount of agency money. If you

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<sup>3</sup> All agency contributions will be deposited into the traditional balance of your TSP account.

stop making regular employee contributions, your matching contributions will also stop.

You do not need to complete a waiting period to be eligible to receive either type of agency contribution.

To change the amount of your employee contributions, use your agency's electronic system or submit Form TSP-1, *Election Form*.

## Tax Treatments for Your TSP Employee Contributions

The TSP offers you two tax treatments for your employee contributions when you make a contribution election:

- **Traditional (pre-tax) contributions** are deposited into the traditional balance<sup>4</sup> of your TSP account and are not taxed when you contribute them. You pay federal income taxes on these contributions and their earnings when you withdraw them.
- **Roth (after-tax) contributions** are deposited into the Roth balance<sup>5</sup> of your TSP account and are taxed when you contribute them. You pay no federal income taxes on these contributions when you withdraw them. Roth earnings are tax-free when withdrawn as long as the following two conditions have been met: (1) 5 years have passed since January 1 of the calendar year in which you made your first Roth contribution, **and** (2) you have reached age 59½, have a permanent disability, or have died.  
**Note:** We cannot certify to the IRS that you meet the Internal Revenue Code's definition of disability when your taxes are reported. Therefore, you must provide the justification to the IRS when you file your taxes.

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<sup>4</sup> A **traditional balance** consists of any employee contributions that you designate as traditional contributions when you make your contribution election, all agency contributions, and the earnings associated with these contributions.

<sup>5</sup> A **Roth balance** consists of any employee contributions that you designate as Roth contributions when you make your contribution election, and the earnings associated with these contributions.

You can make both traditional and Roth contributions, and you can change your election at any time. If you choose to make both types of contributions, your account will be made up of two separate balances—traditional and Roth. These two balances will keep your contributions, earnings, and any money you transfer into (or out of) your TSP account separate for tax purposes. Loans, contribution allocations, and interfund transfers you make will include a proportional amount from each balance. You will not be able to borrow from or change the investment of just one balance. Also, you will not be able to convert one type of balance into another. When you make withdrawals, however, you'll have the option of taking money from your traditional balance only, from your Roth balance only, or proportionally from both.

For more detailed information about how traditional and Roth contributions may impact your paycheck and account savings over time, see the TSP booklet *Summary of the Thrift Savings Plan*. You may also want to use the resources available on [tsp.gov](https://tsp.gov).

## Your First Contribution

Your first contribution establishes your TSP account. If you were automatically enrolled, your contributions are made to the traditional balance of your TSP account until you make a different contribution election. Your contributions will be invested according to the rules detailed on page 2 unless you make a different choice. See “Investing in the TSP” beginning on page 11, which describes your TSP investment options and the actions you need to take to select them.

## Starting or Changing Your Contributions

**You can start, change, or stop** any of your employee contributions at any time by submitting the TSP-1, *Election Form*, to your agency, or using your agency's electronic version of the form. Your TSP election will stay in effect until you submit another election or until you leave federal service.



## Vesting

Being vested means that you're entitled to keep your Agency Automatic (1%) Contributions (and their earnings) after you work in the federal government for a certain number of years. All years of service in a position eligible for the TSP count toward vesting, even if you don't contribute to the TSP during that time. Most FERS employees become vested in Agency Automatic (1%) Contributions after three years of federal civilian service. FERS employees in congressional and certain noncareer positions become vested in Agency Automatic (1%) Contributions after completing two years of federal civilian service. CSRS employees don't receive Agency Automatic (1%) Contributions, so vesting does not apply to them.

**Important:** Civilian service does not count toward vesting in a uniformed services (BRS) account, and uniformed service does not count toward vesting in a civilian account.

## Contribution Limits

The Internal Revenue Code (IRC) places a number of specific limits on the dollar amount that you (and your employing agency on your behalf) can contribute to employer-sponsored plans like the TSP each year. **These limits change annually.** When the annual limits become available, we announce them on [tsp.gov](https://tsp.gov) and the ThriftLine. You can find the current limits any time on [tsp.gov](https://tsp.gov).

- The **IRC elective deferral limit** is an annual dollar limit, established under IRC section 402(g), that limits the amount of **traditional and Roth employee contributions** that a participant can make to employer-sponsored plans like the TSP.

**Note for FERS employees younger than age 50:** If you reach the IRC elective deferral limit before the end of the year, your own contributions—and any associated Agency Matching Contributions—will be suspended. If you contribute to the TSP as a member of the Ready Reserve **and** as a civilian FERS

participant, be sure that your combined contributions do not cause you to reach the IRC elective deferral limit before the end of the calendar year. If you do, you could lose out on matching contributions. Use the calculator “How Much Can I Contribute?” on [tsp.gov](https://tsp.gov) to avoid losing valuable agency matching money.

- The **IRC annual addition limit** is an annual per-employer dollar limit, established under IRC section 415(c), that limits the **total amount of all contributions** (traditional, Roth, tax-exempt, and all agency contributions) that can be made by a participant or on behalf of a participant to employer-sponsored plans like the TSP. For 415(c) purposes, working for multiple federal agencies or services in the same year is considered having one employer.
- The **IRC catch-up contribution limit** is an annual dollar limit, established under IRC section 414(v), that limits the amount of **catch-up traditional and Roth employee contributions that a participant turning age 50 or older during the calendar year** can make to employer-sponsored plans like the TSP. It is separate from the elective deferral limit and the annual addition limit.

## Account Security

### TSP Account Number

Once your account has been established, we will mail you a welcome letter containing your account number and the identifying information your agency has provided to us. It is very important that you keep your account number secure and accessible.

### User ID

You must create a user ID to log in to My Account on [tsp.gov](https://tsp.gov). Once you have established your user ID, you can change it whenever you wish in My Account.

## Web Password and ThriftLine PIN

Separately, you will receive a web password for accessing your account on [tsp.gov](http://tsp.gov). When you log in to your account for the first time using this password, you will be prompted to change it. You will also receive a Personal Identification Number (PIN), which you will need to access your account on the ThriftLine, our automated response system.

You can change your web password at any time in My Account on [tsp.gov](http://tsp.gov). You can also change your ThriftLine PIN by accessing your account on the ThriftLine.

## Requesting Your Account Information

If you forget your account number, you can use either the TSP website or ThriftLine to request that it be mailed to you again. If you forget or lose your user ID or password, visit the My Account section of [tsp.gov](http://tsp.gov) or call the ThriftLine at 1-877-968-3778. If you lose your PIN, you can request a new one on the ThriftLine. You can also contact us by mail. If you make a written request, you must include your TSP account number and date of birth in your letter.

You should receive your remailed account number, new web password, or new PIN within 3 – 5 business days, but it may take longer if you are in a remote location or outside of the United States.

## Account Protection

Safeguard your TSP account number, user ID, web password, and ThriftLine PIN to protect your account. When using the TSP website, please ensure that your computer is protected against the latest viruses and malware.

Additional information about internet security is available on [tsp.gov](http://tsp.gov) and on many other government websites such as [consumer.gov/idtheft](http://consumer.gov/idtheft) and [OnGuardOnline.gov](http://OnGuardOnline.gov).

# Your Beneficiaries

If you do not designate beneficiaries for your account, in the event of your death we will distribute your account in accordance with the following statutory order of precedence:

1. To your spouse
2. If none, to your child or children equally, with the share due any deceased child divided equally among that child's descendants
3. If none, to your parents equally or to your surviving parent
4. If none, to the appointed executor or administrator of your estate
5. If none, to your next of kin who is entitled to your estate under the laws of the state in which you resided at the time of your death

As used here, “child” means either a biological child or a child adopted by the participant. It does not include your stepchild unless you have adopted the child. Nor does it include your biological child if that child has been adopted by someone other than your spouse.

“Parents” does not include stepparents who have not adopted you.

If you want to make a different arrangement from the one provided by the order of precedence, you can use Form TSP-3, *Designation of Beneficiary*, to designate one or more persons, a trust, or another entity to receive the balance of your account when you die. The form is available at [tsp.gov](https://tsp.gov). Use the online tool to fill out the form and avoid errors.

If you make a beneficiary designation, we will send you a confirmation of your designation in the mail. We will also notify you if your designation is invalid and cannot be processed.

**For us to honor it, a valid Form TSP-3 must be on file with us at the time of your death. We cannot honor a will or any other document.**

**Be sure to keep your beneficiary designation up to date** to reflect changes in your life, such as marriage, births, adoptions, divorce—even a change of address for a beneficiary. Submit a new Form TSP-3 to change a beneficiary designation or to update information.

## Beneficiary Participant Accounts

All death benefits of \$200 or more that are processed for a spouse beneficiary are automatically deposited into a new TSP account established in the spouse's name. Beneficiary participants will be able to manage their investments and are eligible for the same withdrawal options as separated participants. Upon the death of a beneficiary participant, we must distribute the account to the new beneficiary(ies); it cannot remain in the TSP. For more information, see the booklet *Your TSP Account: A Guide for Beneficiary Participants* and other resources at [tsp.gov](https://tsp.gov).

## Investing in the TSP

The TSP offers you two approaches to investing your account:

- Lifecycle (L) Funds
- Individual TSP Funds (G, F, C, S, and I Funds)

### Lifecycle (L) Funds

The L Funds offer an easy option for those participants who do not have the time or experience to manage their TSP investments.

The L Funds are “lifecycle” funds that are invested according to a professionally determined mix of stocks, bonds, and securities based on various time horizons. (A time horizon is the date when you expect to withdraw your money.) L Funds with farther time horizons are focused on growth, and therefore are invested more aggressively, with a higher percentage of foreign and domestic stocks and a lower percentage of government securities. As each L Fund matures, its mix gradually shifts to more conservative investments

with a higher percentage of government securities and a lower percentage of stocks. This more conservative mix is designed to preserve assets while still providing protection against inflation.

Each L Fund is automatically rebalanced, generally each business day, to restore the fund to its intended investment mix. Each quarter, the fund's asset allocation is adjusted to slightly more conservative investments. When an L Fund reaches its time horizon, it will roll into the L Income Fund, and a new fund will be added with a more distant time horizon.

The optimal L Fund is the one that most closely matches your time horizon, that is, the year you expect to start withdrawing money from your TSP account.

If you are currently receiving income from your TSP account or plan to start withdrawing in the very near future, consider the L Income Fund. It is designed to focus primarily on preserving the assets in your account.

Detailed information about each L Fund is available on [tsp.gov](https://www.tsp.gov).

## Individual TSP Funds

The TSP has five individual investment funds:

- **Government Securities Investment (G) Fund**—invested in short-term, U.S. Treasury securities that are specially issued to the TSP (government securities with no risk of loss)
- **Fixed Income Index Investment (F) Fund**—invested in a bond index fund that tracks the Bloomberg Barclays U.S. Aggregate Bond Index (U.S. investment-grade corporate, government, and mortgage-backed securities)
- **Common Stock Index Investment (C) Fund**—invested in a stock index fund that tracks the Standard & Poor's 500 (S&P 500) Stock Index (primarily large U.S. companies)
- **Small Capitalization Stock Index Investment (S) Fund**—invested in a stock index fund that tracks the Dow Jones U.S. Completion Total Stock Market Index (medium to small U.S. companies)

- **International Stock Index Investment (I) Fund**—invested in a stock index fund that tracks the MSCI EAFE (Europe, Australasia, Far East) Stock Index (primarily large companies in more than 20 developed countries)

Visit [tsp.gov](https://tsp.gov) for detailed fund descriptions and information on fund performance.

If you choose your own investment mix from the G, F, C, S, and I Funds, remember that your investment allocation is one of the most important factors affecting the growth of your TSP account. If you prefer this hands-on approach, keep the following points in mind:

- **Consider both risk and return.** Over a long period of time, the F Fund (bonds) and the C, S, and I Funds (stocks) have higher potential returns than the G Fund (government securities). But stocks and bonds also carry the risk of investment losses, which the G Fund does not.
- **You need to be comfortable with the amount of risk you expect to take.** Your investment comfort zone should allow you to use a “buy and hold” strategy so that you are not chasing market returns during upswings or abandoning your investment strategy during downswings.
- **You can reduce your overall risk by diversifying your account.** The five individual TSP funds offer a broad range of investment options, including government securities, bonds, and domestic and foreign stocks. Generally, it’s best not to put “all of your eggs in one basket.”
- **The amount of risk you can sustain depends on your investment time horizon.** The more time you have before you need to withdraw your account, the more risk you can take. This is because early losses can be offset by later gains.
- **Periodically review your investment choices.** Check the distribution of your account balance among the funds to make sure that the mix you chose is still appropriate for your situation. If not, rebalance your account to get the allocation you want.

## Deciding on Your Approach

The TSP investment options are designed for you to choose **either** the L Fund that is appropriate for your time horizon **or** a combination of the individual TSP funds that will support your personal investment strategy. However, you are permitted to invest in any fund or combination of funds. Just keep in mind that the L Funds are made up of the five individual TSP funds (G, F, C, S, and I). If you invest in an L Fund as well as in the individual funds, you will duplicate some of your investments, and your allocation may not be what you wanted.

## Implementing Your Investment Choice

Once you have decided on your investment approach—professionally designed (L Funds) or self-directed (individual TSP funds)—there are two transactions you can make to put your money in the fund(s) you have chosen:

- The first transaction you need to make is a **contribution allocation**. This transaction directs how new money (contributions, transfers into the TSP, loan payments) will be invested. It does not change your existing account balance.
- The second transaction you may want to make is an **interfund transfer (IFT)**. An IFT is a transaction that allows you to redistribute all or part of your existing TSP account among the different TSP funds. For each calendar month, your **first two** IFTs can redistribute money in your account among any or all of the TSP funds. After that, for the remainder of the month, your IFTs can **only** move money into the Government Securities Investment (G) Fund (in which case, you will increase the percentage of your account held in the G Fund by reducing the percentage held in one or more of the other TSP funds). An IFT has no effect on new money coming into your account. The transfer counts in the calendar month we process it, not in the month you submit it.



If you have a civilian and a uniformed services account, these transactions apply to each account separately.

If you have a traditional and a Roth balance, any contribution allocations or interfund transfers you make will apply to both balances. You cannot make a separate contribution allocation or interfund transfer for each balance.

You can perform these transactions in the My Account section of [tsp.gov](https://tsp.gov) or by calling the ThriftLine.

## Transferring Other Investments Into Your TSP Account

If your TSP account has already been established and you have a balance, you can transfer money from your traditional IRA or eligible employer plan into your TSP account. This money will be invested according to your most recent contribution allocation. To transfer tax-deferred money into the traditional balance of your TSP account, use Form TSP-60, *Request for a Transfer into the TSP*. To transfer Roth money into the Roth balance of your TSP account, use Form TSP-60-R, *Request for a Roth Transfer into the TSP*. Both forms are available on [tsp.gov](https://tsp.gov). Note: You cannot transfer any money from a Roth IRA into your TSP account.

# Account Information

## Your Account Balance

Your account balance (expressed in both dollars and shares) is available in the My Account section of [tsp.gov](https://tsp.gov) and on the ThriftLine. Your account balance is updated at the end of each business day based on that day's closing share prices and any transactions processed that night.

## Your Participant Statements

We issue quarterly and annual participant statements. We will mail you your first quarterly statement. After that, quarterly statements will be available only on [tsp.gov](https://tsp.gov) unless you make a request to continue receiving them in the mail. You can make this request on [tsp.gov](https://tsp.gov) or the ThriftLine.

Your annual statement will provide a summary of your account activity for the previous year and give you other information, such as an account profile and your cumulative lifetime contributions to the TSP. You should review and verify all the information on this statement.

Check all your statements to ensure the following:

- your personal information (name, address, date of birth, etc.) is correct
- the contribution amount is correct
- payments on any loans you may have are being deposited correctly
- transactions (interfund transfers, loans, withdrawals, etc.) have been properly recorded

## Correcting Your Account Information

If you are an **active employee** and you want to correct personal information, you must have your agency make any corrections to your TSP account records. If you are **separated** from federal service, you must notify us directly. Separated participants can make address changes on [tsp.gov](https://tsp.gov).

**To update your beneficiary information or to change your beneficiary(ies)**, send a new Form TSP-3, *Designation of Beneficiary*, directly to the TSP.

**If you change agencies (or payroll offices)**, make sure that your TSP contributions (and your loan payments, if any) continue after you transfer. Report any errors to your new payroll office immediately, and follow up to make sure the corrections took effect.

# Getting Your Money Out

## Loans<sup>6</sup>

The TSP loan program allows active eligible participants to borrow from their accounts and repay the loan with interest.

There are two types of loans:

- **General purpose loans**, which can be used for any purpose, have a repayment period of 1 to 5 years.
- **Residential loans**, which are available only for the purchase or construction of a primary residence, have a repayment period of 1 to 15 years.

To learn more about the loan program, read the TSP booklet *Loans* and other resources available on [tsp.gov](https://tsp.gov). In particular, read the section of the booklet that discusses the things to consider before you borrow; it will help you decide whether your TSP account is your best option for borrowing money. Taking a loan can reduce your TSP balance at retirement because the interest rate you pay to your account for the loan may be less than the earnings you would have received if the money had remained in your account.

## Withdrawals

Your TSP account is designed to provide you with income in retirement through post-separation withdrawals. In some situations, you are also permitted to make in-service withdrawals. With all withdrawal options, if you have both traditional and Roth money in your account, you may choose to withdraw from your traditional balance only, from your Roth balance only, or proportionally from both balances.

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<sup>6</sup> All loans are disbursed proportionally from any traditional and Roth balances in your account. **You cannot designate the type of money (traditional or Roth) that you want to borrow.**

## Post-Separation Withdrawals

When you leave federal service, you have a number of options:

- **Leave your money in the TSP.** If you have \$200 or more in your account, you can leave it in the TSP and take advantage of our low fees. Though you will no longer make contributions to your account, you'll continue to control how it's invested. You can also transfer money into your TSP account from an eligible employer plan or a traditional IRA. (If your vested account balance is less than \$200, we will automatically send you the entire amount in a single payment. You cannot leave it in the TSP.)
- If you have both a civilian and a uniformed services TSP account and you separate from federal civilian service, you may combine your TSP accounts if you do so before the year you reach age 72.<sup>7</sup> Use Form TSP-65, *Request to Combine Civilian and Uniformed Services TSP Accounts*.
- **Begin receiving TSP installment payments.** You can choose to receive payments from your account monthly, quarterly (every three months), or annually. You can elect to receive a fixed dollar amount or have us calculate a payment based on your life expectancy. If you choose a fixed dollar amount for your payments and they're expected to last less than 10 years, you're allowed to transfer them to an IRA or eligible employer plan.
- **Make a single withdrawal.** At any time after you separate from service, you can withdraw part or all of your TSP account. There is no limit on the number of single withdrawals you can make, but processing times limit you to one every 30 days. You're allowed to transfer single withdrawals to an IRA or eligible employer plan.
- **Purchase an annuity.** You may choose to purchase a life annuity from our annuity

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<sup>7</sup> Before 2020, the deadline was age 70½. So if you were born before July 1, 1949, you can no longer combine accounts, even if you are not yet 72.

vendor (minimum of \$3,500<sup>8</sup>). Annuities are designed to provide you with monthly payments for life. Money you use to purchase an annuity is no longer part of your TSP account.

As long as you have enough money in your account, you can use any of these withdrawal options or any combination of them. And using one option does not stop you from using another one in the future.

**Note:** You can only have one installment payment plan at any one time.

You can find more information about post-separation withdrawals by visiting [tsp.gov](https://tsp.gov). The booklet *Withdrawing From Your TSP Account for Separated and Beneficiary Participants* also describes your TSP withdrawal options. In addition, you should read the TSP tax notice *Important Tax Information About Payments From Your TSP Account*. The booklet and tax notice are available at [tsp.gov](https://tsp.gov).

## In-Service Withdrawals

If you are still employed by the federal government, you can withdraw money from your account only under the following circumstances:

- If you are age 59½ or older, you may make up to four **age-based in-service withdrawals per calendar year**.
- If you have a financial hardship, you may make a **financial hardship in-service withdrawal** (limited to one every 6 months). If you are under age 59½, you may be required to pay an early withdrawal penalty tax.

Other restrictions apply to these withdrawals. For more information, visit [tsp.gov](https://tsp.gov). You should also read the TSP booklet *In-Service Withdrawals* and the TSP tax notice *Important Tax Information About Payments From Your TSP Account*. The booklet and tax notice are available at [tsp.gov](https://tsp.gov).

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<sup>8</sup> If you use both traditional and Roth money to purchase your annuity, the \$3,500 minimum amount will apply to both types separately.

## Automatic Enrollment Refunds

Generally, if you were automatically enrolled in the TSP, you have 90 days from the date of your first contribution to request a refund of your own automatic enrollment contributions and earnings using Form TSP-25, *Automatic Enrollment Refund Request*. If you are a FERS employee, you will forfeit your Agency Matching Contributions, but Agency Automatic (1%) Contributions will remain in your account.

## Required Minimum Distributions

The Internal Revenue Code (IRC) requires that you begin receiving distributions from your account in the calendar year you become age 72 **and** are separated from federal service. Your entire TSP account—both traditional and Roth—is subject to these required minimum distributions (RMDs). We calculate RMDs using your age, prior year-end account balance, and the IRS Uniform Lifetime Table, Treas. Reg. § 1.401(a)(9)-9, Q&A-2, as published in the Federal Register on April 17, 2002.

Any withdrawals you make during a year in which you're subject to an RMD go toward satisfying the requirement. If you don't make any withdrawals, or don't withdraw a sufficient amount, we will automatically send you the amount needed before the deadline.

For more information about RMDs, see the TSP tax notice *Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions*.

## Spouses' Rights

The Federal Employees' Retirement System Act of 1986, which created the TSP, provides certain rights to spouses of participants. If you are married (even if you are separated from your spouse), you are subject to certain spouses' rights requirements, as explained here. Spouses' rights requirements apply to loans, in-service withdrawals, and post-separation withdrawals.

- **If you are a married FERS or uniformed services participant with a total TSP account**

**balance of more than \$3,500**, your spouse is entitled by law to a joint life annuity with a 50% survivor benefit, level payments, and no cash refund feature. If you choose any other withdrawal option, or any combination of options, your spouse must provide signed, notarized consent for the withdrawal to be processed. This is also true if you request a change in the amount or frequency of installment payments since this could affect the amount available for an annuity. Your spouse must also consent if you apply for a loan from your TSP account.

- **If you are a married CSRS participant with a total TSP account balance of more than \$3,500**, we must notify your spouse of your withdrawal. This is also true if you request a change in the amount or frequency of installment payments since this could affect the amount available for an annuity. We must also notify your spouse if you apply for a loan.

Under certain limited circumstances, exceptions to these requirements may be granted. See Form TSP-16, *Exception to Spousal Requirements* (TSP-U-16 for members of the uniformed services), available on [tsp.gov](https://tsp.gov).

# Contact Information

**TSP Website:** [tsp.gov](https://tsp.gov)

**ThriftLine:** 1-877-968-3778  
(For calls outside the U.S., Canada, and most U.S. territories, use 404-233-4400.)

**TSP Mailing Address:** Thrift Savings Plan  
P.O. Box 385021  
Birmingham, AL 35238

**Text Telephone (TDD):** 1-877-847-4385

**TSP Fax:** 1-866-817-5023



