

TRS MEMBER EDUCATION VIDEO SERIES

Survivor Benefits

It's never pleasant to think about our mortality, but TRS members can take comfort knowing that their designated survivors will be provided with benefits, whether the member's death occurs before or after retirement.

This designated beneficiary is determined by the TRS member, and can be changed at any time.

It's important to review this information every year and keep it updated!

Let's take a look at the two types of death benefits.

We'll start with retiree survivor benefits.

When a TRS retiree dies, the designated beneficiary is entitled to receive a lump sum survivor benefit payment of \$10,000.

This benefit is payable on the death of either a service or disability retiree unless the disability retiree has exhausted all monthly payments before death.

It is paid in addition to any joint and survivor or guaranteed period annuity options that may be payable.

In lieu of the \$10,000 lump sum amount, survivor benefits consisting of a \$2,500 lump sum payment plus a monthly payment are also available depending on the beneficiary designated.

If a TRS active member dies during a school year in which they performed eligible service and has not retired from TRS, the beneficiary may be eligible to select from several options for a death benefit payment plan.

A one-time lump sum payment equal to twice the member's annual salary for the school year in which the death occurs or twice the amount of the creditable compensation actually paid to the member in the preceding school year, whichever is greater, up to a maximum of \$80,000.

Sixty monthly payments in an amount equal to the member's standard annuity without reduction for age.

This payment plan is available only to beneficiaries of members who have five or more years of TRS service credit.

A lifetime annuity equal to an Option One retirement plan, also called a 100 percent joint and survivor annuity.

This payment plan is available only to a beneficiary of a member who has five or more years of TRS service credit. This plan is not available to joint beneficiaries.

An amount equal to the accumulated contributions in the member's account, or -

Survivor benefits consisting of a \$2,500 lump sum payment plus a monthly payment, depending on the beneficiary designated.

For members who were not eligible for active member death benefits, an amount equal to the accumulated contributions in the member's account is payable to the beneficiary.

TRS survivor benefits are not life insurance payments and, as a result, they are usually subject to federal income tax. Please consult a tax professional if you have questions about the tax impact to beneficiaries.

You can find more information about these and other benefits in the TRS *Benefits Handbook*.

You can find more information about designating a beneficiary in the *Naming a Beneficiary* member education video on the TRS website.

And you can always contact TRS with any questions regarding the beneficiary designation form, or any other assistance you may need.

We're always here and ready to help!