***JOAG Cyber-Gram***

***July 2019***

***Volume 7***

***Changes to TSP Benefits***

**Upcoming TSP Withdrawal Changes**

**Don’t:** Overlook new changes to TSP withdrawal options effective September 15, 2019

**Do:**

* Know the options for proportional withdrawals.
* Know the changes to age based withdrawals.
* Know the changes to installment payments for receiving distributions from your account.
* Know that no previously existing withdrawal options will be taken away.

**Bookmark:**

* [Thrift Savings Plan Fact Sheet: Questions and Answers about Changes to TSP Withdrawal Options](https://www.tsp.gov/PDF/formspubs/tspfs10.pdf)

**TSP Withdrawal Changes**

Test your knowledge of TSP policies.

1. **Which of the following is not an option for money withdrawals beginning September 15, 2019?**
	1. After you separate from service, you can make multiple post-separation partial withdrawals
	2. You can start, stop, or make changes to your installment payments at any time
	3. You will be able to choose whether withdrawals come from Roth, traditional, or both balances
	4. All of the above options will be available on September 15, 2019
2. **How many age based in-service withdrawals per year are permitted for federal employees age 59 ½ or older?**

(A) Only one age based withdrawal per year

(B)  Up to two age based withdrawals per year

(C)  Up to three age based withdrawals per year

(D) Up to four age based withdrawals per year

1. **Which of the following is not true when the new withdrawal options go into effect?**
	1. If you’re receiving monthly payments, you can only change the amount of payments during an open season (Oct 1 – Dec 15).
	2. You  will be able to change the frequency (monthly, quarterly, annual) of your installment payments at any time throughout the year
	3. The new rules will allow you to receive payments monthly, quarterly, or annually
2. **Starting September 15, 2019, what is the full withdrawal election deadline after you separate from federal service?**
	1. When you are 70½
	2. When you turn 67
	3. There will no longer be a requirement to make a full withdrawal election after separation from federal service. However, the IRS required minimum distribution (RMD) rules will still be in effect.

**Answers:**  D, D, A, C

**Bookmark:**

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**Keep your finger on the pulse, check for policy updates at**

<https://dcp.psc.gov/ccmis/bulletin/BULLETIN_archives_m.aspx>

**Policy Awareness and Notification (PAN)**

Co-Leads: LCDR Mindy Chou & LT Rachael Oyewole

LCDR Linda Park

LCDR Stephanie Lanham

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**PAN Mission:** Provide policy guidance and support to the JOAG Policy and Procedures Committee Chair and updates to all junior officers.

The PAN Subcommittee is under the direction of JOAG’s Policy and Procedures Committee (Chair: LCDR Mutiu Okanlawon)