

Tax Information

- ◆ Retirement benefits from the ERS are subject to federal income tax.
- ◆ Previously taxed contributions, including payments made to purchase additional service credit using pre-taxed monies, are exempt from federal taxation over a period equal to the number of monthly benefit payments that the retiree is expected to receive.
- ◆ All retirees will receive a Form 1099-R Income Statement every January for use in filing a personal income tax return.
- ◆ The 1099-R will report the retirement benefits subject to federal income tax.
- ◆ If you reside in Alabama, RSA retirement benefits are not subject to state of Alabama income tax. If you reside in another state, check with that state's revenue department to determine your tax status.