



UNITED STATES RAILROAD RETIREMENT BOARD
844 NORTH RUSH STREET
CHICAGO, ILLINOIS 60611-2092

TL-1099 (1-2002)

FORM RRB-1099 Tax Statement General Information

The Form RRB-1099 tax statement enclosed is issued by the U.S. Railroad Retirement Board (RRB) and represents payments made to you in the tax year indicated on the statement. You will need to determine if any of the railroad retirement payments made to you are taxable. Explanation of items on Form RRB-1099 are on the back of this explanation sheet.

The mailing address shown on Form RRB-1099 is the address we currently have on our records. Please review the mailing address shown. If the mailing address shown is incorrect or incomplete, please provide the RRB with your correct mailing address.

Form RRB-1099 reports the Social Security Equivalent Benefit (SSEB) portion of tier 1 and special guaranty benefits paid and repaid to citizens and/or residents of the United States, and the related U.S. Federal income tax withheld. SSEB payments are similar to social security benefits for U.S. Federal income tax purposes. Payments and repayments resulting from railroad retirement annuity adjustments are shown on your tax statements, and may be fully or partially subject to taxation. This is true whether adjustments result in net amounts due or net overpayments which you are asked to repay, and whether any overpayments are recovered or waived. **A repayment is a returned payment, a cash refund, or an amount withheld from your annuity to recover an overpayment.** Certain payments and repayments are **not** taxable and are **not** reported on your tax statements. These certain payments and repayments include tier 1, tier 2, and vested dual benefits paid for a period **before** December 1983; tier 2 and vested dual benefits repaid for a period **before** December 1983; separation allowance lump sum amounts; residual lump sum amounts; lump sum death payments; and Railroad Retirement Act tax refunds. To determine if your SSEB payments and social security benefits are taxable, refer to the Social Security Benefits worksheet in the **Instructions for Form 1040** and/or **Form 1040A Booklet(s)**. For more detailed information about SSEB payments and Form RRB-1099, refer to **IRS Publication 915, Social Security and Equivalent Railroad Retirement Benefits**. Railroad retirement payments are **not** taxable for U.S. state income tax purposes.

NOTE: You should have received Form SSA-1099 and Notice 703 from the Social Security Administration (SSA) if you also received social security benefits for the tax year indicated on the Form RRB-1099. Contact SSA not the RRB if you need Form SSA-1099 and Notice 703.

There are two boxes located at the top left hand side of the Form RRB-1099 tax statement indicated as **CORRECTED** or **DUPLICATE**. **Neither box is checked if this is an original Form RRB-1099.** One of these boxes is checked when either a corrected or duplicate Form RRB-1099 is prepared. Both boxes are checked if the Form RRB-1099 is a duplicate of a previously corrected Form RRB-1099. You may receive more than one original Form RRB-1099 for the tax year indicated. Each original Form RRB-1099 is valid and should be included when you file your income tax return for the tax year indicated. **A "duplicate" Form RRB-1099 is the same as a previously released original or corrected Form RRB-1099. The RRB may issue a "corrected" Form RRB-1099 if there is an error in the "original" Form RRB-1099. A "corrected" Form RRB-1099 replaces the corresponding "original" Form RRB-1099. Therefore, you must use the latest corrected or duplicate Form RRB-1099 you received AND any original Form RRB-1099 that the RRB has not corrected when you file and/or amend your income tax return for that same tax year. If you are required to file an income tax return, a negligence penalty or other sanction may be imposed on you if the income is taxable and the Internal Revenue Service (IRS) determines that it has not been reported.**

You may also receive a Form RRB-1099-R tax statement in addition to a Form RRB-1099. Form RRB-1099-R reports the taxable amounts paid, repaid, and the related U.S. Federal income tax withheld from, the Non-Social Security Equivalent Benefit (NSSEB) portion of the tier 1, tier 2, vested dual benefit (VDB), and supplemental annuity payments. These payments are treated as private pensions. For more information about these payments and Form RRB-1099-R, refer to **IRS Pub. 575, Pension and Annuity Income**. To determine your taxable amount, follow the **Instructions for Form 1040** and/or **Form 1040A Booklet(s)**, and/or **IRS Pub. 939, General Rule for Pensions and Annuities**.

The totals reported on your Form RRB-1099 may **not** equal the total amount of SSEB payments you actually received during the tax year indicated. For beneficiaries receiving Medicare, the difference may be the total amount of Medicare premiums paid during the tax year indicated since amounts shown on tax statements are **before** any deduction for Medicare. Effective for tax years 1997 and later, the RRB only shows the total Part B Medicare premiums that were deducted from railroad retirement annuity payments for the tax year indicated on Form RRB-1099. **The RRB does not show the Medicare premiums deducted from social security benefits on any tax statement issued by the RRB.** In addition, Medicare premium refunds are **not** included in your Medicare premium total.

IF YOU HAVE ANY QUESTIONS ABOUT HOW TO FIGURE YOUR TAXABLE PAYMENTS AND/OR WHAT AMOUNTS TO SHOW ON YOUR INCOME TAX RETURNS AND/OR HOW TO AMEND INCOME TAX RETURNS, CONTACT YOUR OWN TAX PREPARER OR THE LOCAL IRS OFFICE LISTED IN THE BLUE PAGES OF YOUR TELEPHONE BOOK. However, contact the RRB if you have questions about your Form RRB-1099 and railroad retirement benefit payments, or if you need to request a duplicate Form RRB-1099 for any tax year. When contacting the RRB about your Form RRB-1099, always give the claim number and payee code shown in Box 1 of your Form RRB-1099. The recipient's identification number in Box 2 of the Form RRB-1099 is either the United States social security number OR individual taxpayer identification number (ITIN) OR employer identification number (EIN) for the person or Estate listed as the recipient. **You should contact your nearest RRB field office for local assistance with your inquiries.** To obtain the address and telephone number of your nearest RRB field office, you may call the RRB at 1-800-808-0772 and select option "5". You may visit the RRB on the Internet at <http://www.rrb.gov>.

You may want to photocopy and retain this Form RRB-1099 for income verification and record keeping purposes.

PLEASE BE SURE THE RRB ALWAYS HAS YOUR CURRENT MAILING ADDRESS.

EXPLANATION OF ITEMS ON FORM RRB-1099

BOX 3 - GROSS SOCIAL SECURITY EQUIVALENT BENEFIT PORTION OF TIER 1 PAID IN THE YEAR SHOWN ABOVE - This is the total SSEB portion of tier 1 benefits paid to you during the tax year indicated on the Form RRB-1099. It includes any SSEB benefits paid to you during the indicated tax year that were for prior years.

BOX 4 - SOCIAL SECURITY EQUIVALENT BENEFIT PORTION OF TIER 1 REPAID TO RRB IN THE YEAR SHOWN ABOVE - This is the total SSEB benefits you repaid to the RRB during the tax year indicated on the Form RRB-1099. It includes any SSEB benefits you repaid during the indicated tax year that were for prior years. You may have repaid a SSEB benefit by returning a payment, by making a cash refund, or by having an amount withheld from your annuity for overpayment recovery purposes.

BOX 5 - NET SOCIAL SECURITY EQUIVALENT BENEFIT PORTION OF TIER 1 PAID IN THE YEAR SHOWN ABOVE - This total is the amount in Box 3 *minus* the amount in Box 4. A figure in parenthesis is a negative amount. A negative amount means you repaid the RRB more than you received or were credited with receiving during the tax year indicated on the Form RRB-1099. If you received more than one Form RRB-1099 or Form SSA-1099 for the same tax year, a negative figure in Box 5 of Forms RRB-1099 or SSA-1099 can be used to offset a positive figure in Box 5 of the other Forms RRB-1099 or SSA-1099 for the same tax year. To see if any part of the SSEB is taxable, refer to the Social Security Benefits worksheet in the **Instructions for Forms 1040 and/or 1040A booklet(s)**, and/or **IRS Publication 915, Social Security and Equivalent Railroad Retirement Benefits**.

BOX 6 - WORKERS' COMPENSATION OFFSET IN THE YEAR SHOWN ABOVE - This amount is for informational purposes. This is the amount of any workers' compensation deducted from your SSEB payments. This amount is included in the amount shown in Box 3.

BOX 7 - SOCIAL SECURITY EQUIVALENT BENEFIT PORTION OF TIER 1 PAID FOR ONE YEAR PRIOR TO THE YEAR SHOWN ABOVE - This total is the amount of SSEB that was due for **one** year prior to the tax year indicated, **but was not paid** until the tax year indicated on the Form RRB-1099. This amount is included in the amount shown in Box 3.

BOX 8 - SOCIAL SECURITY EQUIVALENT BENEFIT PORTION OF TIER 1 PAID FOR TWO YEARS PRIOR TO THE YEAR SHOWN ABOVE - This total is the amount of SSEB that was due for **two** years prior to the tax year indicated, **but was not paid** until the tax year indicated on the Form RRB-1099. This amount is included in the amount shown in Box 3.

BOX 9 - SOCIAL SECURITY EQUIVALENT BENEFIT PORTION OF TIER 1 PAID FOR THREE OR MORE YEARS PRIOR TO THE YEAR SHOWN ABOVE - This total is the amount of SSEB that was due for **three or more** years prior to the tax year indicated, **but was not paid** until the tax year indicated on the Form RRB-1099. This amount is included in the amount shown in Box 3. Any tier 1 benefit paid for a period prior to 1986 is treated as SSEB.

BOX 10 - FEDERAL INCOME TAX WITHHELD - This total is the amount of U.S. Federal income tax withheld from your SSEB payments during the tax year indicated on the Form RRB-1099. Include this on your income tax return as tax withheld. **CAUTION: Effective with tax years 1997 and later, this total is based on the amount of SSEB tax withholding that you requested on IRS Form W-4V, Voluntary Withholding Request. Prior to tax year 1997, this total is the tax withholding that you requested in excess of monthly NSSEB, tier 2, VDB and supplemental annuity payments you received.**

BOX 11 - MEDICARE PREMIUM TOTAL - This is the total amount of Part B Medicare premiums deducted from your railroad retirement annuity payments during the tax year indicated on Form RRB-1099. This amount is for informational purposes and only applies for tax years 1997 and later. **If your Form RRB-1099 is for a tax year prior to tax year 1997, this box is blank even though you may have had Medicare premiums deducted from your railroad retirement annuity payments.** Medicare premium refunds are not included in the Medicare total. The Medicare total is normally shown on Form RRB-1099. **However, if Form RRB-1099 is not required for the tax year indicated, then the Medicare total is shown on Form RRB-1099-R. If your Medicare premiums were deducted from your social security benefits; paid by a third party; and/or you paid the premiums by direct billing, your Medicare total will not be shown in this box.**