



# Thrift Savings Plan BULLETIN

for Agency TSP Representatives

**Subject:** Thrift Savings Plan Notice “Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions”

**Date:** November 9, 2001

The Federal Retirement Thrift Investment Board has revised the notice “Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions.” A copy of the revised notice is available from the Forms & Publications section of the TSP Web site at [www.tsp.gov](http://www.tsp.gov). Agencies may order additional copies of the notice by following the instructions contained in TSP Bulletin 95-1, dated January 3, 1995.

The notice discusses the TSP withdrawal deadline and the minimum distribution requirement and explains that TSP withdrawals must satisfy the minimum distribution requirement. (For example, if participants elect to receive monthly payments from their TSP accounts, the total amount of the payments for the year must satisfy the minimum distribution requirement for the year.) The notice also discusses Federal income tax withholding on TSP payments and explains that the amount withheld will depend upon the payment classification (i.e., whether the payment is an eligible rollover distribution, a periodic payment, or a non-periodic payment).

**TSP responsibilities.** Each October, the TSP record keeper mails this notice to all participants (both separated and employed) who, according to information that agencies provided to the TSP record keeper, will become age 70½ in the following calendar year. In addition to informing participants about the withdrawal deadline and minimum distribution requirement, the purpose of the mailing is to ensure that the participants’ dates of birth in the TSP System are correct.

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**Inquiries:** Questions concerning this bulletin should be directed to the Federal Retirement Thrift Investment Board at **(202) 942-1460**.

**Chapter:** This bulletin may be filed in Chapter 9, Withdrawal Program.

**Supersedes:** This bulletin supersedes TSP Bulletin 98-29, Thrift Savings Plan Notice “Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions,” dated August 31, 1998.

**Agency responsibilities.** Although the withdrawal deadline and minimum distribution requirement do not apply to employed participants who are age 70½ or older, these participants will be subject to the requirements as soon as they separate. Consequently, personnel offices should respond to inquiries from employed participants about these requirements.

In addition, if participants contact their agencies regarding erroneous data in the TSP System (e.g., an incorrect date of birth or employment code), agencies must correct their errors promptly. There are serious tax consequences for participants who do not comply with the minimum distribution requirement. To correct the erroneous data, the agency must submit an Employee Data Record (06-Record) to the TSP record keeper.



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