

## § 1600.33

from the distribution for the payment of Federal taxes.

(4) The transaction must be completed within 60 days of the participant's receipt of the distribution from his or her eligible retirement plan. The transaction is not complete until the TSP record keeper receives the Form TSP-60 or TSP-U-60, executed by both the participant and administrator, trustee, or custodian, together with the guaranteed funds for the amount to be rolled over.

(c) *Participant's certification.* When transferring a distribution to the TSP by either a trustee-to-trustee transfer or a rollover, the participant must certify that the distribution is eligible for transfer into the TSP, as follows:

(1) *Distribution from an eligible employer plan.* The participant must certify that the distribution:

(i) Is not one of a series of substantially equal periodic payments made over the life expectancy of the participant (or the joint lives of the participant and designated beneficiary, if applicable) or for a period of 10 years or more;

(ii) Is not a minimum distribution required by I.R.C. section 401(a)(9) (26 U.S.C. 401(a)(9));

(iii) Is not a hardship distribution;

(iv) Is not a plan loan that is deemed to be a taxable distribution because of default;

(v) Is not a return of excess elective deferrals; and

(vi) If not transferred or rolled over, would be includible in gross income for the tax year in which the distribution is paid.

(2) *Distribution from a traditional IRA.* The participant must certify that the distribution:

(i) Is not a minimum distribution required under I.R.C. section 401(a)(9) (26 U.S.C. 401(a)(9)); and

(ii) If not transferred or rolled over, would be includible in gross income for the tax year in which the distribution is paid.

[67 FR 17604, Apr. 11, 2002]

### § 1600.33 Treatment accorded transferred funds.

(a) All funds transferred to the TSP pursuant to §§1600.31 and 1600.32 will be treated as employee contributions.

## 5 CFR Ch. VI (1-1-03 Edition)

(b) All funds transferred to the TSP pursuant to §§1600.31 and 1600.32 will be invested in accordance with the participant's contribution allocation on file at the time the transfer is completed.

(c) Funds transferred to the TSP pursuant to §§1600.31 and 1600.32 are not subject to the limits on contributions described in §1600.22.

## PART 1601—PARTICIPANTS' CHOICES OF INVESTMENT FUNDS

### Subpart A—General

Sec.

1601.1 Definitions.

### Subpart B—Investing Future Contributions and Loan Payments

1601.11 Applicability.

1601.12 Investing future contributions and loan payments in the TSP investment funds.

1601.13 Elections.

### Subpart C—Redistributing Participants' Existing Account Balances

1601.21 Applicability.

1601.22 Methods of requesting an interfund transfer.

### Subpart D—Contribution Allocations and Interfund Transfer Requests

1601.31 Applicability.

1601.32 Timing and posting dates.

1601.33 Acknowledgment of risk.

1601.34 Effectiveness of Form TSP-50.

1601.35 Posting of transaction requests.

1601.36 Error correction.

AUTHORITY: 5 U.S.C. 8351, 8438, 7474(b)(5) and (c)(1).

SOURCE: 66 FR 22093, May 2, 2001, unless otherwise noted.

### Subpart A—General

#### § 1601.1 Definitions.

As used in this part:

*Account balance* means the sum of the dollar balances for each source of contributions in each investment fund for an individual account.

*Acknowledgment of risk* means an acknowledgment that any investment in the F Fund, C Fund, S Fund, or I Fund is made at the participant's risk, that the participant is not protected by the

United States Government or the Board against any loss on the investment, and that neither the United States Government nor the Board guarantees any return on the investment.

*C Fund* means the Common Stock Index Investment Fund established under 5 U.S.C. 8438(b)(1)(C).

*Contribution allocation* means the apportionment of a participant's future contributions and loan payments among the TSP investment funds.

*Day* means calendar day, unless otherwise stated.

*Employing agency* means the organization that employs an individual eligible to contribute to the TSP and that has authority to make personnel compensation decisions for the individual.

*F Fund* means the Fixed Income Investment Fund established under 5 U.S.C. 8438(b)(1)(B).

*G Fund* means the Government Securities Investment Fund established under 5 U.S.C. 8438(b)(1)(A).

*I Fund* means the International Stock Index Investment Fund established under 5 U.S.C. 8438(b)(1)(E).

*Interfund transfer* means the reapportionment, under this part, of a participant's existing account balance among the various TSP investment funds.

*Investment fund* means any investment fund authorized under 5 U.S.C. 8438.

*S Fund* means the Small Capitalization Stock Index Fund established under 5 U.S.C. 8438(b)(1)(D).

*Source of contributions* means employee contributions, agency automatic (1%) contributions, or agency matching contributions.

*ThriftLine* means the automated voice response system by which TSP participants may, among other things, access their accounts by telephone. The ThriftLine can be reached at (504) 255-8777.

*TSP recordkeeper* means the entity that is engaged by the Board to perform recordkeeping services for the Thrift Savings Plan. The TSP recordkeeper is the National Finance Center, United States Department of Agriculture, located in New Orleans, Louisiana.

*TSP Web site* means the Internet location maintained by the Board, which

contains information about the TSP and by which TSP participants may, among other things, access their accounts by computer. The TSP Web site address is <http://www.tsp.gov>.

### Subpart B—Investing Future Contributions and Loan Payments

#### § 1601.11 Applicability.

This subpart applies only to the investment of future contributions and loan payments in the TSP's investment funds; it does not apply to redistributing participants' existing account balances among the investment funds, which is covered in subpart C of this part.

#### § 1601.12 Investing future contributions and loan payments in the TSP investment funds.

(a) *Transition rule.* Effective May 1, 2001, contributions and loan payments will be allocated among the investment funds based on the allocation of the most recent contribution posted to the account between March 15, 2001, and April 30, 2001. If no contributions have been posted to an account between March 15, 2001, and April 30, 2001, the allocation will be based on the allocation shown on an interfund transfer request pending for April 30, 2001. If there is no interfund transfer pending for April 30, 2001, the allocation will be based on the allocation of the account as of the March 31, 2001, account balance. If the March 31, 2001, account balance is zero, the contributions and loan payments will be allocated 100% to the G Fund. The allocation derived under this section will be applied to all contributions and loan payments posted as of a date after April 30, 2001, until a new contribution allocation is made by the participant pursuant to § 1600.12.

(b) *Investment fund availability.* Effective May 1, 2001, all participants may elect to invest all or any portion of their future contributions and loan payments in any of the TSP's five investment funds.

#### § 1601.13 Elections.

(a) *Contribution allocation.* Effective May 1, 2001, each participant may indicate his or her choice of investment