

General Conditions Under Which a Person is Entitled to a Railroad Retirement Employee Annuity

Age Requirement	The age requirement for an age and service annuity depends on your years of creditable railroad service. You must file an application to receive a railroad retirement annuity. When all eligibility requirements are met, your age and service annuity can begin as explained in Chart 1. Chart 2 explains <i>Full Retirement Age</i> .		
CHART 1 - DETERMINING YOUR AGE AND SERVICE ANNUITY BEGINNING DATE			
If you have at least:	You can retire:	Your Tier 1 will have an age reduction if:	Your Tier 2 will:
360 months of railroad service,	the first full month you are age 60.	all of the following apply: <ul style="list-style-type: none"> • you first met the age or service requirements in a month after June 1984 and before January 2002; and, • you have an annuity beginning date before January 1, 2002; and, • you retired before attaining age 62. 	not have an age reduction.
120 - 359 months of railroad service, with service before 8/12/1983,	the first full month you are age 62.	you retire before attaining your <i>Full Retirement Age</i> .	have an age reduction if you retire before attaining age 65.
120 - 359 months of railroad service, without service before 8/12/1983,	the first full month you are age 62.	you retire before attaining your <i>Full Retirement Age</i> .	have an age reduction if you retire before attaining your <i>Full Retirement Age</i> .
60 - 119 months of railroad service, after 1995,	the first full month you are age 62.	you retire before attaining your <i>Full Retirement Age</i> . Note: You must have an SSA insured status (40 quarters of coverage based on combine railroad and SSA earnings) to receive a Tier 1 component.	have an age reduction if you retire before attaining your <i>Full Retirement Age</i> .
Full Retirement Age for Annuities Based on Less Than 30 years of Service	<p>The term <i>Full Retirement Age</i> means the age at which an employee with less than 30 years of railroad service can receive a full annuity (not reduced for early retirement).</p> <p>If you have less than 30 years of railroad service, this applies to you. <i>Full Retirement Age</i> for your Tier 1 age reduction is age 65 if you were born before January 2, 1938. The <i>Full Retirement Age</i> for persons born after January 1, 1938, will gradually increase over a 20-year period to age 67, as illustrated in the following chart. <i>Full Retirement Age</i> for your Tier 2 age reduction will remain at age 65 if you had any creditable railroad service before August 12, 1983. Otherwise, the <i>Full Retirement Age</i> for your Tier 2 age reduction will gradually increase in the same manner as the <i>Full Retirement Age</i> for your Tier 1 age reduction.</p>		
CHART 2 - DETERMINING YOUR FULL RETIREMENT AGE			
If you were born:	then your <i>Full Retirement Age</i> is:	If you were born:	then your <i>Full Retirement Age</i> is:
Before 1-2-1938 1-2-1938 thru 1-1-1939 1-2-1939 thru 1-1-1940 1-2-1940 thru 1-1-1941 1-2-1941 thru 1-1-1942 1-2-1942 thru 1-1-1943 1-2-1943 thru 1-1-1955	65 65 and 2 months 65 and 4 months 65 and 6 months 65 and 8 months 65 and 10 months 66	1-2-1955 thru 1-1-1956 1-2-1956 thru 1-1-1957 1-2-1957 thru 1-1-1958 1-2-1958 thru 1-1-1959 1-2-1959 thru 1-1-1960 1-2-1960 and later	66 and 2 months 66 and 4 months 66 and 6 months 66 and 8 months 66 and 10 months 67

Note: *Full Retirement Age* also affects Tier 1 component work deductions as described in Chart 3, regardless of your total years of railroad service.

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<p>Annuity Based on Occupational Disability</p>	<p>You may qualify for an employee occupational disability annuity if you are permanently disabled for work in your <i>Regular Railroad Occupation</i> and you have a <i>Current Connection</i> with the railroad industry. The earliest date the occupational disability can begin depends on your railroad service. You are eligible:</p> <ol style="list-style-type: none"> 1. at any age, if you have at least 240 months of creditable railroad service; or, 2. at age 60, if you have 120-239 months of creditable railroad service. Note: If you have less than 120 months of creditable railroad service, you cannot receive an annuity based on occupational disability. <p>You must file an application to receive a railroad retirement occupational disability annuity. Under the law, a disability annuity cannot begin earlier than the first day of the sixth full month following the month in which disability onset occurs.</p>
<p>Regular Railroad Occupation</p>	<p>Your <i>Regular Railroad Occupation</i> is the one in which you worked:</p> <ol style="list-style-type: none"> 1. in more months than you worked in any other occupation, in or outside of the railroad industry, during the last 5 years in which you were employed (the 5 years do not have to be consecutive); or, 2. in at least one-half of all the months worked in the last 15 consecutive years.
<p>Annuity Based on Total Disability</p>	<p>You must file an application to receive a railroad retirement total and permanent disability annuity. Under the law, a disability annuity cannot begin earlier than the first day of the sixth full month following the month in which disability onset occurs.</p> <p>You may be eligible for a Tier 1 component based on total disability at any age if you:</p> <ol style="list-style-type: none"> 1. are <i>Permanently Disabled</i> for all possible types of work. (Employees are considered to be <i>Permanently Disabled</i> if they qualify for a <i>Disability Freeze</i> under SSA rules and the impairment is expected to last at least 12 months or result in death. (See Booklet RB-1D, <i>Employee Disability Benefits</i> for an explanation of a Disability Freeze. The Disability Freeze cannot be deemed.); and, 2. have stopped any <i>Substantial Gainful Activity</i>; and, 3. meet the railroad service requirement. You must either: <ol style="list-style-type: none"> a. have at least 120 months of creditable railroad service; or, b. have at least 60 months of creditable railroad service after 1995. <p>If you have at least 120 months of creditable railroad service, both your Tier 1 and Tier 2 components can begin on your annuity beginning date. If you have less than 120 months of creditable railroad service, your Tier 1 can begin on your annuity beginning date, but your Tier 2 component cannot begin until the first full month you are age 62.</p>
<p>Substantial Gainful Activity</p>	<p>To qualify for a total and permanent disability annuity, you must stop all <i>Substantial Gainful Activity</i>. Substantial Gainful Activity is the performance of significant duties, which are usually done for pay or profit, over a reasonable period of time. Significant duties are activities that are useful in a job, or operation of a business, and that have economic value.</p>

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<p>Stop Railroad Employment</p>	<p>In order to receive your employee railroad retirement age and service or disability annuity, you must stop all railroad work for pay (no longer carried on the payroll). For an age and service annuity, you must also relinquish rights to railroad employment. Also note that, after the annuity is awarded, payment cannot be made for any month in which you return to work for a railroad employer.</p>
<p>Supplemental Annuity</p>	<p>Some retired railroad employees may be eligible to receive a supplemental annuity of \$23 through \$43 from the RRB. This is in addition to your regular age and service or disability annuity.</p> <p>The amount of your supplemental annuity is reduced if you receive monthly pension payments, or lump-sum pension payments, from your former railroad employer, which are based in whole or in part on contributions from that railroad employer. Your own contributions to your pension account do not cause a reduction.</p> <p>To be eligible for the supplemental annuity, you must:</p> <ol style="list-style-type: none"> 1. be at least age 65 with at least 300 months (25 years) of railroad service, or be at least age 60 with at least 360 months (30 years) of railroad service; and, 2. have at least 1 month of railroad service before October 1, 1981; and, 3. have a <i>Current Connection</i> or <i>Deemed Current Connection</i> with the railroad industry (as explained below); and, 4. be receiving your employee railroad retirement annuity.
<p>Regular Current Connection</p>	<p>You must have a <i>Current Connection</i> with the railroad industry to qualify for an occupational disability annuity, a supplemental annuity or for future survivor benefits. You have a regular current connection with the railroad industry if you meet either of the following conditions:</p> <ol style="list-style-type: none"> 1. you worked for a railroad in at least 12 of the 30 consecutive months immediately before the month in which your annuity begins; or, 2. you worked in the railroad industry in at least 12 months in any earlier period of 30 consecutive months and you did not work in any significant nonrailroad employment between the end of that 30-month period and the month in which your annuity begins. <p>However, work for certain government agencies will not break your current connection. Also, self-employment or employment after your employee annuity beginning date will not break your current connection.</p>
<p>Deemed Current Connection</p>	<p>If you do not have a regular current connection, you may have a <i>Deemed Current Connection</i> for only a supplemental annuity or for future survivor benefits if you:</p> <ol style="list-style-type: none"> 1. have at least 25 years of railroad service; and, 2. stopped working in the railroad industry involuntarily and without fault for a non-medical reason on or after October 1, 1975; and, 3. did not decline an offer to remain in or return to railroad employment in the same class or craft as your most recent railroad service (regardless of the number of miles you would have had to move to accept such job).

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<p>Tier 1 Deductions for Non-Railroad Earnings</p>	<p>Any earnings can have an effect on disability annuities.</p> <p>If your annuity is based on age and service and you are receiving social security benefits, your Tier 1 component is not reduced for your nonrailroad earnings. If you are not receiving social security benefits, the <i>Annual Earnings Exempt Amount</i> is the amount of nonrailroad earnings you can have in a year without losing part of your Tier 1 component and/or the Tier 1 component of your spouse. There are separate <i>Annual Earnings Exempt Amounts</i> for persons at <i>Full Retirement Age</i> and those under <i>Full Retirement Age</i>.</p> <p>Use Chart 2, to determine your <i>Full Retirement Age</i> and then refer to Chart 3 below and Form G-77a, <i>How Work Affects Your Railroad Retirement Benefits</i>.</p>
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CHART 3 - DETERMINING THE AMOUNT OF YOUR WORK DEDUCTION

For a year in which	You may lose up to \$1 in Tier 1 components for every:	The reduction:
you attain <i>Full Retirement Age</i> ,	\$3.00 of earnings over the <i>Annual Earnings Exempt Amount</i> for your age group. However, your earnings are only counted for months before the month in which you attain <i>Full Retirement Age</i> .	is removed effective the month in which you attain <i>Full Retirement Age</i> .
you are under your <i>Full Retirement Age</i> for the entire year,	\$2.00 of earnings over the <i>Annual Earnings Exempt Amount</i> for your age group.	applies for the full year.
you work outside the U.S. for 45 or more hours per month,	\$2.00 of earnings. There is no <i>Annual Earnings Exempt Amount</i> for work outside the U.S. However, your earnings are only counted for months before the month in which you attain <i>Full Retirement Age</i> .	is removed effective the month in which you attain <i>Full Retirement Age</i> .

<p>Tier 2 Deductions for Last Pre-Retirement Non-Railroad Earnings</p>	<p>Your <i>Last Pre-Retirement Nonrailroad Employer</i> is defined as any nonrailroad individual, company or institution for whom you are working on the date your employee annuity begins or for whom you stopped working in order to receive an employee age and service or disability annuity. (For more information, see Form G-177L <i>General Information about Continuing in or Returning to Nonrailroad Employment after Retirement under the Railroad Retirement Act</i>.)</p> <p>Any earnings can have an effect on disability annuities. For age and service annuities, any earnings after the date your annuity begins from your Last Pre-Retirement Nonrailroad Employer, at any age, may cause a work deduction to your supplemental annuity, your Tier 2 component and the Tier 2 component of your spouse.</p> <p>The deduction is \$1 for every \$2 earned (subject to the maximum deduction of 50% of the employee and spouse Tier 2 components and 50% of any supplemental annuity).</p>
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If you would like more information, please contact the nearest RRB field office. Request Booklet RB-1 *Age and Service Employee Annuities* or Booklet RB-1D *Employee Disability Benefits* before you come in to file for your annuity. These booklets are available at www.rrb.gov.