

Pension Newsletter

Pension Benefit Guaranty Corporation
United States Government Agency

Fall 2011



Planning for Your Future

Planning for the future does not end in retirement. Here are some helpful ideas for you to think about as you plan the years ahead:

Establish a power of attorney. At some time, you may want or need someone you trust to deal with PBGC on your behalf. A regular (not durable) **power of attorney** authorizes another person to act as your agent to do specific things, such as apply for pension benefits, update your address, or respond to PBGC's request for information or documents. A durable power of attorney, on the other hand, is a legal document giving one or more people the authority to handle finances or other personal matters if you become mentally or physically incapacitated. For more information, click the **Online Pensions Transactions (MyPBA)** link in the **Workers & Retirees** page of our website.

Deposit PBGC benefits directly to your bank. Direct deposit is safer and more convenient than paper checks. It's free, your funds are deposited without delay, and your payments can't be lost, stolen in the mail, or forgotten at home. For more information, see **Apply for Direct Deposit** under **Transactions** in the **Workers & Retirees** page of our website.

Prepare your family or agent to claim any survivor benefits. If the worst happens, your family or agent should report your death promptly to PBGC to arrange for any survivor benefits that may be payable. For more information, see the **Workers & Retirees** page of our website. Click on **Benefits**, and then on **Beneficiaries**. Finally, click on **Reporting the death of a participant**.

Taking Care of Problems

PBGC strives to provide you with the best customer service possible. But we also understand that from time to time, we may have customers who feel their needs are not being met. If you have a problem or complaint with PBGC, whether it's how we're handling your benefit or how we're answering your questions, we ask that you try at least twice to resolve that problem through normal channels. Our normal channels are the Customer Contact Center or the PBGC employee specifically assigned to your plan. The phone number and hours of operation for the Contact Center are listed on the back page of this newsletter.

If you have an especially difficult problem that you can't resolve through normal channels, then PBGC has a Problem Resolution Officer (PRO) available to assist you.

Please do not contact the PRO for general inquiries. But, the PRO is there to help you address specific difficulties with your pension benefits or with the level of service you received from PBGC. Depending on the nature and complexity of your problem, the PRO will normally resolve the issue within 48 hours.

You can reach the PRO by e-mail at: **participant.pro@pbgc.gov**, by phone at 1-800-400-7242 ext. 4014, or by writing to: Problem Resolution Officer, Pension Benefit Guaranty Corporation, 1200 K Street, N.W. Room 9429, Washington, D.C. 20005.

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VIEW THIS AND PAST NEWSLETTERS ONLINE AT www.pbgc.gov/retireenewsletter

Aid Available for the Deaf and Hearing-Impaired

Do you have speech or hearing disabilities? Then, the Federal Relay Service (FRS) can assist you with telephone calls to federal agencies, free of charge—including calls to PBGC. To use the service you need a TTY/TDD device, also called a “Text Telephone.” You can buy these devices for corded or cordless telephones (including cell phones) and also for computers. After you have connected your telephone and the device, dial the FRS number (1-800-877-8339). **Be ready to tell the operator you’re calling PBGC, and have handy the telephone number of the party you are calling.**

When the call is answered, the relay operator will give you instructions. Generally, you start by typing your message. The relay operator reads it to the person you are calling and then types the response for you to read on your device.

The United States Access Board website has more information on TTY/TDD at <http://www.access-board.gov/adaag/about/bulletins/ttys.htm> (or use a search engine to find “Text Telephone Technical Bulletin”).

Are You Aware of Pension Fraud?

To confidentially report pension fraud, waste, or mismanagement, contact the PBGC Office of Inspector General Hotline by:

Calling 1-800-303-9737;

Visiting our Web site at: <http://oig.pbgc.gov>;
or

Writing to: Pension Benefit Guaranty Corporation, Office of Inspector General, P.O. Box 34177, Washington, DC 20043-4177.

Electronic Direct Deposit Payment Dates

Electronic direct deposit payments are normally posted to accounts no later than the first business day of each month. If the first of the month falls on a weekend or holiday, EDD payments will post before the first of the month. So in 2012, April, July, September, and December EDD payments will arrive before the first of the month. For tax purposes, January is the exception to this rule. If payments arrived in December, it would result in a tax liability for 2011 instead of 2012. For this reason, January EDD payments will arrive on January 3, 2012.

Important Tax Information

As we have told you previously, PBGC is withholding federal taxes from your benefit payments unless you have told us not to.

YOU DO NOT HAVE TO DO ANYTHING NOW IF YOU DO NOT WISH TO MAKE A WITHHOLDING ELECTION OR TO CHANGE A PRIOR ELECTION

You can elect for PBGC to withhold no taxes; a fixed dollar amount; or automatically based on your marital status and number of exemptions.

If you haven’t made an election, PBGC automatically withholds at the rate specified for a married individual with three exemptions. NOTE: Automatic withholding may result in no federal tax being withheld if your benefit payment is relatively small. For example, for the 2011 tax year, if you are married with three exemptions, tax will be withheld only if your annual benefit is more than \$19,200 (\$1,600 per month).

To change or revoke your election, use **MyPBA** (www.pbgc.gov/mypba) or call our Customer Contact Center at 1-800-400-7242.

Be Aware:

- a. Elections remain in effect until changed or revoked.
- b. Different withholding rules apply if your Social Security number is wrong or invalid, or if your mailing address is outside the United States or its territories.
- c. You may have penalties under the estimated tax payment rules if PBGC does not withhold enough tax from your payments.

Help Us Find People Owed Pension Benefits

PBGC continues to seek thousands of people to whom we owe benefits. Please visit our website, www.pbgc.gov, and click on **Missing Participant Search** on the lower left of our home page. You can find more information there about our program to find people owed unclaimed pensions. You can also search our list of unclaimed pensions by a person's last name, a company's name, or a state the person worked in. If you find someone, you can notify either the person(s) or call PBGC at 1-800-400-7242 and we will follow up. We know how important benefits are to people and we appreciate any assistance you can provide to help us locate those to whom money is owed.

Military Service and Your Pension

If you were serving in the military when your pension plan ended, you may be due a higher benefit from PBGC. The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) requires plans to grant pension service credit during your military service if, soon after leaving the military, you returned to work for the employer that sponsored the plan. PBGC guarantees this additional service up until the date your plan ended, even if you return to work after the plan ended.

Also, if you were disabled while serving in the military after your plan ended, or if you are receiving survivor benefits from PBGC as the beneficiary of a plan participant who died or became disabled while serving in the military, you too may be due a higher benefit.

Please call us if you think this applies to you. If we do not have your military information, we will ask you for some documentation from your company and from the military to establish your eligibility.

EDD Change Coming in December

When we make an electronic payment to you, the information we send to your financial institution includes the first 16 characters of your PBGC plan name. Many banks print those characters on monthly statements so account holders will know the source of payments. Starting in December, to help you more easily identify payments coming from PBGC, we will begin using "USPBGC-" followed by the first nine characters of your PBGC plan name. For example, instead of "LTV STEEL (REPUBLIC)" we will use "USPBGC-LTV STEEL".

Get Help with Health Insurance Costs

Individuals age 55 or older who are receiving PBGC benefits and are not enrolled in Medicare may be eligible to receive the Health Coverage Tax Credit (HCTC). The HCTC pays a portion of qualified health insurance premiums making health insurance more affordable for you and your family. The HCTC is administered by the Internal Revenue Service and is available as a monthly tax credit to help with health coverage premium payments or as a refundable credit you can claim on your federal income tax return.

If you are eligible for the HCTC, you may be able to apply for temporary state-level assistance—also called the National Emergency Grant (NEG) Bridge Grant or Gap-filler funds—while you are registering for the HCTC. Contact the U.S. Department of Labor toll-free at 1-877-US-2JOBS (1-877-872-5627) to learn more about NEG Bridge Grants and find out if they are available in your state. For more information about the HCTC, visit the IRS web site at www.irs.gov/hctc or call the HCTC Customer Contact Center at 1-866-628-4282 (TTD/ TTY: 1-866-626-4282).

Información en Español

Para recibir el boletín para retirados actuales en español, llame a nuestro Centro de Contacto del Cliente al 1-800-400-7242. Para los usuarios del servicio TTY/TDD, llame al Servicio de Retransmisión Federal, al número telefónico gratuito, 1-800-845-6136, y pida que lo comuniquen con el 1-800-400-7242. Además hay varias publicaciones de PBGC en español y todas están disponibles en PBGC Publicaciones en Español que se encuentran en Newsletter & Publications página de web www.pbgc.gov. Usted puede encontrar el enlace de esta página en la parte izquierda de nuestra página Workers & Retirees.

La coordinadora de servicios en español de PBGC es Orfanny Vanegas. Si usted necesita ayuda, llame al 1-800-400-7242, o envíe un mensaje a hablamos.espanol@pbgc.gov, o escriba a: PBGC, Contacto de Habla Hispana, PBGC, P.O. Box 151750, Alexandria, VA 22315-1750.

Keep Us Informed—It Matters! Call 1-800-400-7242

You must let us know when you have a change in address, e-mail address, or telephone number. While PBGC is administering your pension plan, we need to stay in touch with you. Even if you receive your benefit payment by electronic direct deposit (EDD), we must have your current residential address. **If after making every attempt to contact you, we can't reach you, we will suspend your benefit payments until we can locate you.**


You can update your information by using our online service, **MyPBA**, which is available at www.pbgc.gov/mypba, or by calling our Customer Contact Center toll-free at 1-800-400-7242. [TTY/TDD users may call the Federal Relay Service toll-free at 1-800-877-8339 and ask to be connected to PBGC's toll-free number.] You may also write to us at: PBGC, P.O. Box 151750, Alexandria, VA 22315-1750. If you write us, please include your **full name, the pension plan name, the pension plan number, and the last four digits of your Social Security Number** on your correspondence. It also helps to include your **current e-mail address**.

Our Customer Contact Center is available to receive your calls Monday-Friday, 8:00 a.m. to 7:00 p.m. Eastern time. In order to avoid a wait, however, it is generally better to call after the third business day of each month and on a Wednesday, Thursday, or Friday.

If you do call during a busy time, you don't have to hold for the next available representative. Instead, if you are using a touch-tone telephone, you can request that the next available representative call you back. You can generally expect to receive a call back within 10 minutes. The representative will make three attempts to reach you in case you step away from your telephone momentarily.

Address Service Requested

PRESORT
First-Class-Mail
U.S. POSTAGE
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Randolph, MA

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