

It's that time... Tax Time

IRS tax withholding

The new year has begun and that means tax season is upon us. As always, the beginning of the year is a great time to review your IRS tax withholdings. For 2012, there have been some changes in tax withholding, so it's important to carefully review your tax status. To help you with determining your withholdings, DRS has created a Withholding Calculator (see article below).

If you'd like to make changes to your 2012 tax withholdings, you will need to submit a new W-4P form. For more information on tax withholdings, please contact the IRS or your personal tax adviser.

New withholding calculator offers help with your W-4P

You may be considering whether you want to change your federal withholding for your pension. This year, we've developed a tool to assist you. It's a convenient calculator on the DRS website to help you determine your withholding tax.

If you determine you'd like to make updates, you may change your withholding by completing and sending us a new Form W-4P. Before you make a change, however, you might wish to talk with your tax advisor or the IRS.

Note: The calculator uses Microsoft Excel Version 97-2003 or later. If you don't have Excel, please call us and we'll run the calculations for you. ■



1099-R Forms

1099-R Forms were mailed at the end of January. You will need this form to file your income tax return. If you need an additional copy, the fastest way to get your 1099-R is to sign up for *Defined Benefit Access*, an online service available through *myDRS* at drs.wa.gov. Signup is simple and secure.

Inside this issue

Get Automatic Email Notices of DRS web updates.....	2
2012 Schedule of Benefit Payments.....	2
Charitable Giving Made Easy.....	3
We want to know: What would it take?.....	3
DCP offers flexibility.....	3
Send us your travel photo.....	4

Get automatic email notifications of DRS web updates

To help you stay connected to the latest retirement information available, we're introducing a free digital subscription service. The service allows you to voluntarily opt in for automatic emails when items on the DRS website change or when new information becomes available. The only information that's required from you is your email address. After you sign up, you can change your subscription details or cancel the service at any time.

How it works

Every hour, the service checks the DRS website to see what's been updated and sends emails to people who have signed up to receive notification (for example, an update to the PERS Plan 2 handbook or a new edition of the Outlook newsletter). As a subscriber, you can tailor the frequency you wish to receive notices: immediately upon posting, daily, weekly or monthly (please note that the page you select may not be updated at each of those intervals, depending upon the topic).

It's easy to use – with just a few clicks you can sign up for updates on a variety of topics including news and announcements, job openings, and legislation impacting retirement. And as you browse the DRS website, you'll notice that individual articles also feature a link reading, "Email me when this page is updated." Clicking on this link will enable you to subscribe for updates to that particular page and topic.

Subscribe now

To start receiving updates from DRS, visit drs.wa.gov at any time and look for the link and envelope icon at the top of the page. Once you click on the link, you can start creating your personalized list of subscription options.



Subscription benefits

Quick email notification: Know as soon as a publication or news article becomes available or has been updated on the DRS website

Individual: Sign up only IF you want to; cancel your subscription any time

Customizable: Offers a list of retirement plans, systems and topics to choose from when you sign up. You may change your list of topics at any time.

Automatic: Once you establish a subscription profile, you will **automatically** receive updates without having to check the DRS website for changes

Privacy Policy

Your privacy is valued. Email updates are a free service provided by DRS. Your email address will only be used to deliver the information you have requested and allow you to access your account. ■

2012 Schedule of Benefit Payments

Here's a schedule of the 2012 dates that monthly retirement benefits will be electronically deposited in retirees' accounts.

2012 Electronic Deposit Dates	
1/31/2012	7/31/2012
2/29/2012	8/31/2012
3/30/2012	9/28/2012
4/30/2012	10/31/2012
5/31/2012	11/30/2012
6/29/2012	12/31/2012

Charitable Giving Made Easy

Would you like a convenient way to make charitable contributions? The Washington State Combined Fund Drive (CFD) may be just what you're looking for.

As a retiree of a Washington State retirement plan, you can give to local or national charities through an automatic deduction from your monthly pension payment. The Department of Retirement Systems and the Office of the Secretary of State coordinate this effort through the CFD.

Charitable giving through the CFD offers more than 2,600 pre-screened charities from which to

choose. These organizations address a wide variety of worthwhile causes including health and human services, environmental and endangered species protection, and the arts. The CFD provides a convenient opportunity to make a difference in the causes you care about.

If you need more information or would like to make a donation, visit the Combined Fund Drive website at cfd.wa.gov. You may also contact the Combined Fund Drive office at 360.704.7143; or send an email to cfd@sos.wa.gov. ■

We want to know: What would it take?

We're all learning to do more with less in this economic climate. But that doesn't mean we're scrimping on the level of service you receive from DRS. Listening to you is the best way to make improvements that better address your needs and are economically wise.

We want to understand and deliver upon these expectations, so we're asking...

What would it take for you to be a 100% satisfied customer of DRS?

We recognize your ongoing need for fast, friendly, accurate and cost-effective service. But what would it look like for you to be **100% satisfied**? Give us your ideas, we're listening to how you can be served even better.

Please send your thoughts and ideas to: Communications@drs.wa.gov and stay tuned as we develop more ways for you to share with us so we can continue to serve you best. ■

DCP offers flexibility

Flexibility. It's one of the features that makes the state's Deferred Compensation Program (DCP) so attractive. You worked hard to accrue your DCP savings, and just as before you retired, you can continue to make changes to your investments at any time.

Your DCP payment distribution options can also be adjusted when necessary. You can receive the same distribution amount on a regular schedule like monthly, quarterly or twice a year. Or, you can also request a partial lump sum payment at any time; even if you are already receiving regular payments. Keep this option in mind if you're planning a special vacation or if unexpected expenses arise.

You can change your regular payment schedule amount or even stop receiving payments if you are under age 70 ½.* Once you reach this threshold, you still have the same flexibility (payment options) described above. However, if your payments during the year don't equal the Required Minimum Distribution (RMD – see italicized note below), DCP will distribute the necessary amount in December.

**Tax laws require you to begin annual withdrawals known as Required Minimum Distributions (RMDs) from your retirement account in the year when you reach age 70 ½, or in the year you retire – whichever is later. Consult with your legal or tax adviser for guidance about 2012 RMDs.*

Send us your travel photo

Have a favorite vacation spot that you visit every year? Have you taken a trip to that once in a lifetime destination? If you've traveled over the road, or by boat, train or plane and snapped photos of yourself or your family, how about submitting one of your favorite photos to us here at DRS. We'll post it on the DRS website and share it with other retirees.

You can submit your photo to us at Communications@drs.wa.gov.



Retirement Outlook for retired members is published twice a year by the Washington State Department of Retirement Systems.

Steve Hill, Director
David Brine, Editor

Website: drs.wa.gov

Email: recep@drs.wa.gov

Phone: 360.664.7000 or toll free 800.547.6657

TTY: 360.586.5450

This document is available in alternate formats.

Contact the editor at 360.664.7097.

PRESORTED
STANDARD
U.S. POSTAGE PAID
Washington State
Department of Printing

Olympia, WA 98504-8380
PO Box 48380
Department of
Retirement Systems
WASHINGTON STATE
DRS