

The CSA and CSF 1099R

R. Bruce McCommons
Harford County, MD TRC

11/24/2017

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The CSA and CSF 1099R (US Government Civil Service)...

The CSA 1099R is used by the Office of Personnel Management (OPM) to report a federal government retiree's pension income...

The CSF 1099R is used by the OPM to report a retiree's spousal survivor benefit income

Form CSA 1099R for retirees (US Government Civil Service)...

PAID BY OFFICE OF PERSONNEL MANAGEMENT
 RETIREMENT OPERATIONS
 P.O. BOX 45
 BOYERS, PA 16017-0045

STATEMENT OF ANNUITY PAID
 Copy C - For annuitant's records.
 This information is being furnished to the U.S. Internal Revenue

2017

OMB No. 1545-0119
 Form: 1099-R
 Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

Form CSA 1099R (Rev. 1/2017)
 This information is being furnished to the Department of Treasury - Internal Revenue Service

PAYER's Federal Identification 52-6083699	Recipient's ID No. (Annuitant) 123-45-6789	Account number (Retirement Claim No.) CS A1234567
5. Employee Contributions/ Designated ROTH Contributions or Insurance Premiums 3133.00	PAID TO Tom T Jones 123 Main Street Joppa, MD 21085	
7. Distribution Code(s) 7 - NONDISABILITY		
9b. Total Employee Contributions 99999.00		

1. Gross distribution 25000.00	
2a. Taxable amount 23000.00	
4. Federal Income Tax Withheld 3750.00	
12. State tax withheld 2000.00	13. State/Payer's state no. MD / 0363444
12. State tax withheld NONE	13. State/Payer's state no.

To separate, tear on perforation

If a number in Box 2a, use it as the taxable pension; if no number in Box 2a, use the number in Box 9b to start the calculation of the non-taxable amount of the pension using the Simplified Method Worksheet...

ODDBALL SITUATION—If Tom's annuity starting date was 3 July to 31 December 1986, and he elected a survivor annuity, then he or his survivor could take the exclusion until the last one dies

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Any number in Box 5 is **ALWAYS** health insurance premiums and nothing else; it is entered on Schedule A as a medical deduction if the client is itemizing...

However, there may be more potential medical deductions not included in Box 5

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The number in Box 5 includes only the premiums for the retiree's basic health insurance, i.e., the Federal Employee Health Benefits (FEHB), and Medicare, Parts B and/or D...

If the retiree is also having Federal Dental, Federal Vision, or Federal Long Term Care insurance premiums deducted, **these premiums will not be included in Box 5...**

The only way to capture these other Schedule A deductions is to examine the retiree's Form RI 20-53, Notice of Annuity Adjustment, which was issued in the current tax year

Form CSA 1099R for retirees (US Government Civil Service)...

Every time there is an adjustment to a retiree's medical benefit costs, they will get a Form RI 20-53, Notice of Annuity Adjustment; such adjustments will normally take effect in February of the current tax year...

RI 20-53 (REV. 12/16) NOTICE OF ANNUITY ADJUSTMENT							
This notice informs you of a change in the amount of your payments. Please read the back of the notice. If you have questions, call us or write to the address shown below.							
Gross Monthly Annuity	Monthly Health Benefits	Monthly Medicare	Other Deductions or Additions*				Net Monthly Payment
			Code	Amount	Code	Amount	
Old Status							
2083.00	-134.66	-104.92	31	-208.00			1183.65
			32	-156.00			
			42	-34.91			
			43	-10.86			
			44	-250.00			
New Status							
2083.00	-154.86	-109.12	31	-208.00			1116.79
			32	-156.00			
			42	-38.40			
			43	-11.83			
			44	-288.00			

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
RETIREMENT OPERATIONS CENTER
PO BOX 45
BOYERS PA 16017-0045
 Reason for adjustment.

YOUR PAYMENT DATED: 02/02/2017

REFER TO THIS NUMBER WHENEVER YOU CONTACT OPM

CLAIM NUMBER
 CSA 1 234567 0

You may use this notice as proof of your current rate of annuity.

Your Payment Before Adjustment

Your Payment After Adjustment

Code explanations are provided on the back side of the form; see next slide...

Form CSA 1099R for retirees (US Government Civil Service)...

Typical medical codes are 42, Federal Dental Insurance; 43, Federal Vision Insurance; and 44, Federal Long Term Care Insurance; rarely, codes 22, 23, 24, 72, 73, and 74 will also be found on the RI 20-53

Deductions		Codes For Other Deductions Or Additions		Additions	
01-09	Collection of Union or Membership Dues			50	Government Claim Adjustment*
10	Collection of Government Claim			51	Interim Payment
11	Collection of Interim Payments			52	Accrued Annuity Due*
12	Collection of Annuity Overpayment			53	Annuity Waiver Release*
13	Collection of Annuity Waiver			54	Erroneous Payment Adjustment*
14	Collection of Deposit or Redeposit for Civilian Service			55	Refund of National Guard Deduction*
15	Reduction for National Guard			56	Refund of Union or Membership Dues*
17	Life Insurance Premiums	▶	to prevent reduction of Basic for Additional Optional for Family Optional	57	Post-Retirement Basic Additional Optional
18				58	Refund of Insurance Premiums*
19				59	Family Optional
20	Checking/Savings Allotment			60	Accrued Annuity and Unexpended Balance
22	Collection of Retroactive Health Benefit Premiums			61	Payment of Interest on Unexpended Balance
23	Collection of Retroactive Medicare Premiums			66	Refund of Military Deposit*
24	Collection of Retroactive Medicare Premiums			67	FERS CSA Annuity Supplement
25	Collection of Standard Optional Life Insurance Premiums			68	Alternative Annuity Lump Sum*
LI				69	Interest on pre-1957 Contributions Portion of Alternative Annuity Lump Sum*
27	Collection of Erroneous Payment			70	Checking/Savings Allotment*
29	Collection of Military Deposit			72	Retroactive Health Benefits Premium Adjustment*
31	Federal Income Tax			73	Retroactive Medicare Premium Adjustment*
32	State Income Tax			74	Retroactive Medicare Premium Adjustment*
33	Post-Retirement Marriage Actuarial Reduction			75	Standard Optional Life Insurance Premium Refund
35	Garnishment			77	Basic Life Insurance Premium Refund*
36	Bankruptcy			78	Post-Retirement Marriage Deposit Refund*
37	Bankruptcy			79	FERS 36 - Installment Lump Sum Death Benefit
38	Apportionment			80	Federal Income Tax Refund (Non-resident Alien)
39	Apportionment			81	Federal Income Tax Refund (Resident)
40	FERS Annuity Supplement Overpayment			82	Refund of State Income Tax*
42	Federal Dental Insurance			83	Refund of Survivor Reduction Deposit*
43	Federal Vision Insurance			85	Garnishment
44	Federal Long Term Care Insurance			86	Garnishment
45	Association Withholding or Other Allotment			87	Bankruptcy
46	Basic Life Insurance			88	Apportionment
				89	Apportionment

*This additional amount is a one time only payment.

Form CSA 1099R for retirees (US Government Civil Service)...

Since all potential medical deductions are not included in Box 5, it is important to ask the client if they are having deductions withheld for other types of insurance, e.g., Dental, Vision, or Long Term Care...

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<i>New Status</i>							
2083.00	-154.86	-109.12	31	-208.00			1116.79
			32	-156.00			
			42	-38.40			
			43	-11.83			
			44	-288.00			

Your Payment Before Adjustment
Your Payment After Adjustment

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
RETIREMENT OPERATIONS CENTER
PO BOX 45
BOYERS PA 16017-0045
Reason for adjustment.

YOUR PAYMENT DATED: 02/02/2017

CLAIM NUMBER
CSA 1 234567 0

REFER TO THIS NUMBER WHENEVER YOU CONTACT OPM **CLAIM NUMBER**

You may use this notice as proof of your current rate of annuity.

Form CSA 1099R for retirees (US Government Civil Service)...

Last, since increases take effect in February, to annualize the allowable deduction for any given code, you have to multiply the amount in the lower section of the form by 11 and then add that value to the corresponding amount in the upper section of the form...

RI 20-53 (REV. 12/16) **NOTICE OF ANNUITY ADJUSTMENT**

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Your Payment Before Adjustment

Your Payment After Adjustment

Deduction for January

Monthly deduction for February-December

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
RETIREMENT OPERATIONS CENTER
PO BOX 45
BOYERS PA 16017-0045
Reason for adjustment.

YOUR PAYMENT DATED: 02/02/2017

CLAIM NUMBER
CSA 1 234567 0

REFER TO THIS NUMBER WHENEVER YOU CONTACT OPM

You may use this notice as proof of your current rate of annuity.

Using Code 42 as an example, multiply 38.40 by 11, and then add the result, 422.40, to 34.91, for a total allowable Schedule A deduction of 457.31 for the current tax year

Form CSF 1099R for a retiree's survivor (US Government Civil Service)...

Form CSF 1099R (Rev. 1/2017) This information is being furnished to the Department of Treasury - Internal Revenue Service	PAID BY OFFICE OF PERSONNEL MANAGEMENT RETIREMENT OPERATIONS P.O. BOX 45 BOYERS, PA 16017-0045		STATEMENT OF ANNUITY PAID Copy C - For annuitant's records. This information is being furnished to the U.S. Internal Revenue		2017	OMB No. 1545-0119 Form: 1099-R Distributions From Pensions, Annuities, Retirement or Profit- Sharing Plans, IRAs, Insurance Contracts, etc.
	PAYER's Federal Identification 52-6083699		Recipient's ID No. (Annuitant) 234-56-7890		Account number (Retirement Claim No.) CS F9876543	
	5. Employee Contributions/ Designated ROTH Contributions or Insurance Premiums 1802.37		PAID TO		Susie Q Jones 123 Main Street Joppa, MD 21085	
	7. Distribution Code(s) 4-DEATH BENEFIT				12. State tax withheld 881.00	
	9b. Total Employee Contributions 99999.00				13. State/Payer's state no. MD / 0363444	

1. Gross distribution	13750.00
2a. Taxable amount	11750.00
4. Federal Income Tax Withheld	1150.00
12. State tax withheld	NONE

To separate, tear on perforation

EXAMPLE: Tom dies and had elected a survivor annuity for his wife, Susie...

Susie would receive a CSF 1099R which, under typical circumstances, would amount to 55 percent of Tom's pension; Box 7 would be coded as a 4...

If Box 2a, Taxable amount, showed no number, you would calculate the pension exclusion using the Box 9b number as your starting point for the Simplified Method Worksheet

Form CSF 1099R for a retiree's survivor (US Government Civil Service)...

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If Tom's pension exclusion had been previously calculated, Susie would continue to use the same exclusion until exhausted; if not already calculated, use the simplified method...

If there were no number in Box 9b, then you would have to contact OPM (1-888-767-6738) to find out what Tom's total contributions were...

If Tom's annuity starting date was 3 July to 31 December 1986, the oddball situation described in Slide 3 would apply, i.e., Susie's exclusion would continue until her death