



UNITED STATES RAILROAD RETIREMENT BOARD
844 NORTH RUSH STREET
CHICAGO, ILLINOIS 60611-2092

FORM RRB-1099-R (12-92) Tax Statement General Information

The Form RRB-1099-R (12-92) tax statement enclosed is issued by the U.S. Railroad Retirement Board (RRB) and represents payments made to you in the tax year indicated on the statement. You will need to determine if any of the railroad retirement payments made to you are taxable. Explanation of items on Form RRB-1099-R (12-92) are on the back of this explanation sheet.

The mailing address shown on Form RRB-1099-R (12-92) is the address we currently have on our records. Please review the mailing address shown. If the mailing address is incorrect or incomplete, please provide the RRB with your correct mailing address.

Form RRB-1099-R (12-92) reports the total gross payments, repayments and the related U.S. Federal income tax withheld from the Non-Social Security Equivalent Benefit (NSSEB) portion of tier 1, tier 2, vested dual benefit (VDB), and supplemental annuity payments. Form RRB-1099-R (12-92) is used for both U.S. citizen and nonresident alien beneficiaries. These payments are treated as private pensions for U.S. Federal income tax purposes. Payments and repayments resulting from railroad retirement annuity adjustments are shown on your tax statements, and may be fully or partially subject to taxation. This is true whether adjustments result in net amounts due or net overpayments which you are asked to repay, and whether any overpayments are recovered or waived. **A repayment is a returned payment, a cash refund, or an amount withheld from your annuity to recover an overpayment.** Certain payments and repayments are **not** taxable and are **not** shown on your tax statements. These certain payments and repayments include tier 1, tier 2, VDB benefits paid for a period **before** December 1983; tier 2 and VDB benefits repaid for a period **before** December 1983; separation allowance lump sum amounts; residual lump sum amounts; lump sum death payments; and Railroad Retirement Act tax refunds. Railroad retirement payments are **not** taxable for U.S. state income tax purposes.

There are two boxes located at the top left hand side of the Form RRB-1099-R (12-92) indicated as **CORRECTED** or **DUPLICATE**. **Neither box is checked if this is an original Form RRB-1099-R (12-92).** One of these boxes is checked when either a corrected or duplicate Form RRB-1099-R (12-92) is prepared. Both boxes are checked if the Form RRB-1099-R (12-92) is a duplicate of a previously corrected Form RRB-1099-R (12-92). You may receive more than one original Form RRB-1099-R (12-92) for the tax year indicated. Each original Form RRB-1099-R (12-92) is valid and should be included when you file your U.S. Federal income tax return for the tax year indicated. **A "duplicate" Form RRB-1099-R (12-92) is the same as a previously released original or corrected Form RRB-1099-R (12-92). A "corrected" Form RRB-1099-R (12-92) replaces the corresponding "original" Form RRB-1099-R (12-92). Therefore, you must use the latest corrected or duplicate Form RRB-1099-R (12-92) you received AND any original Form RRB-1099-R (12-92) that the RRB has not corrected when you file and/or amend your income tax return for that same tax year. If you are required to file an income tax return, a negligence penalty or other sanction may be imposed on you if the income is taxable and the United States Internal Revenue Service (IRS) determines that it has not been reported.**

NOTE: Form RRB-1099-R (12-92) is ONLY used for duplicate tax statement requests for tax years 1991 or earlier. Effective January 1, 1993 and later, Form RRB-1099-R (12-92) is no longer used for corrected tax statement requests for tax years 1991 or earlier AND any duplicate tax statement requests for tax years 1992 or later.

If you are a U.S. citizen, you may also receive Form RRB-1099, **OR** if you are a nonresident alien of the United States you may receive Form RRB-1042S in addition, to Form RRB-1099-R (12-92). Both Forms RRB-1099 and RRB-1042S report the Social Security Equivalent Benefit (SSEB) portion of tier 1. **If you are a nonresident alien AND your country of legal residence and/or tax withholding rate changed during a given tax year, you may receive more than one set of Forms RRB-1042S and/or RRB-1099-R (12-92).** If you are affected by the General Rule provisions, you must compute the taxable and nontaxable amounts of your annuity payments shown on your Form RRB-1099-R (12-92) using the employee contributions amount also shown on Form RRB-1099-R (12-92). For more detailed information, refer to **IRS Publication 575, Pension and Annuity Income**. If you are using the Simplified General Rule, refer to the Simplified General Rule worksheet in the **Instructions for Form 1040** and/or **Form 1040A Booklet(s)** to determine your taxable amount. If you choose to compute your taxable contributory amount using the Simplified General Rule, use the amounts in Boxes 4, 14, and 15, and the number of monthly payments you received in the tax year indicated on each Form RRB-1099-R (12-92). If you are **not** using the Simplified General Rule, refer to **IRS Publication 939, General Rule for Pensions and Annuities**, to determine your taxable amount. For widow(er)s who were paid as a spouse for part of the tax year, use only the annuity payments you received as a widow(er) to figure your nontaxable amount.

The totals reported on your Form RRB-1099-R (12-92) may **not** equal the total amount of NSSEB, tier 2, VDB and supplemental annuity payments you actually received during the tax year indicated. For beneficiaries receiving Medicare, the difference may be the total amount of Medicare premiums paid during the tax year indicated. Amounts shown on tax statements issued by the RRB are **before** any deduction for Medicare. **The RRB does not show the Medicare premium deduction total on Form RRB-1099-R (12-92). In addition, the RRB does not show the Medicare premiums deducted from social security benefits on any tax statement issued by the RRB.**

IF YOU HAVE ANY QUESTIONS ABOUT HOW TO FIGURE YOUR TAXABLE PAYMENTS AND/OR WHAT AMOUNTS TO SHOW ON YOUR INCOME TAX RETURNS AND/OR HOW TO AMEND INCOME TAX RETURNS, CONTACT YOUR OWN TAX PREPARER OR THE IRS. However, contact the RRB if you have questions about your Form RRB-1099-R (12-92) and railroad retirement benefit payments, or if you need to request a duplicate Form RRB-1099-R (12-92). When contacting the RRB about your Form RRB-1099-R (12-92), always give your claim number and payee code shown in Box 1 of your Form RRB-1099-R (12-92). The recipient's identification number in Box 2 of the Form RRB-1099-R (12-92) is either the United States social security number OR individual taxpayer identification number (ITIN) OR employer identification number (EIN) for the person or Estate listed as the recipient. **You should contact your nearest RRB field office (if you reside within the United States) OR U.S. consulate/embassy (if you reside outside the United States) for local assistance with your inquiries.** If you reside **within** the United States, you may call the RRB at 1-800-808-0772 and select option "5" to obtain the address and telephone number of your nearest RRB field office. In addition, you may visit us on the Internet at <http://www.rrb.gov>.

You may want to photocopy and retain this Form RRB-1099-R (12-92) for income verification and record keeping purposes.

PLEASE BE SURE THE RRB ALWAYS HAS YOUR CURRENT MAILING ADDRESS.

EXPLANATION OF ITEMS ON FORM RRB-1099-R (12-92)

BOX 3 - Total Contributions Recovered Through The Year Shown Above - An amount is shown **only** if the employee's contributions were **not** recovered **before** the tax year indicated on the tax statement. In Three-Year Rule cases, this is the total amount of NSSEB and/or tier 2 paid from the annuity beginning date. In General Rule cases, this is the total amount of **taxable** NSSEB and/or tier 2 paid from the annuity beginning date. In both cases, this amount includes the amounts recovered from all beneficiaries covered under this claim number.

BOX 4 - Employee Contributions - This is the amount of railroad retirement payroll taxes paid by the employee that **exceeds** the amount that would have been paid in social security payroll taxes **if** the employee's railroad service had been covered under the Social Security Act. **The IRS refers to this amount as the employee's investment in the contract (cost).** The amount shown is the **latest** amount reported and is **not** a payment or income that was received in the tax year indicated on the tax statement. The total amount of the employee's contribution is shown only when the contributions were not recovered before the tax year indicated on the tax statement. If you had a **previous** annuity entitlement that terminated **and** you are calculating a nontaxable pension amount under the General Rule for your **current** annuity entitlement, you should contact the RRB for confirmation of your correct employee contributions amount. **Refer to IRS Pub. 575, Pension and Annuity Income and/or IRS Pub. 939, General Rule for Pensions and Annuities.**

BOX 5 - Contributions Recovered - A check in either the **YES** or **NO** box indicates whether the employee's contributions have been fully recovered. If neither box is checked, payments with annuity beginning dates from July 2, 1986 through December 31, 1986 are under the General Rule; these payments have a permanent nontaxable amount and employee contribution recovery is not considered. A check in either the **Three-Year** or **General Rule** box indicates the tax rule that applies to your annuity.

BOX 6 - Rate of Tax - If you are being taxed as a U.S. citizen, this item does **not** apply to you. If you are being taxed as a nonresident alien of the United States, an entry in this item indicates the rate at which U.S. Federal income tax was withheld from the NSSEB, tier 2, VDB, and supplemental annuity payments that were paid to you during the period covered by this Form RRB-1099-R (12-92).

BOX 7 - Federal Tax Withheld - This is the total amount of U.S. Federal income tax withheld from your NSSEB, tier 2, VDB, and supplemental annuity payments during the period covered by this Form RRB-1099-R (12-92). Include this amount as taxes withheld on your income tax return for the tax year covered by this Form RRB-1099-R (12-92).

BOX 8 - Country - If you are being taxed as a U.S. citizen, this item does **not** apply to you. If you are being taxed as a nonresident alien of the United States, an entry in this item indicates the country of which you were a legal resident at the time you received railroad retirement payments for U.S. Federal income tax purposes during the period covered by this Form RRB-1099-R (12-92).

BOX 9 - Taxable Contributory Amount - This is the gross amount of any taxable NSSEB and tier 2 benefits paid in the tax year indicated **less** any taxable NSSEB and tier 2 repayments made in that tax year and are attributed to that tax year. If the tax year for which the taxable NSSEB and tier 2 repayments were made is not known, those repayment amounts will appear in Box 13. Any nontaxable NSSEB and/or tier 2 are **not** included in this amount. Therefore, this box may contain an amount less than you actually received. If payments received are not taxable, a **-0-** will be shown in this box. **Refer to IRS Pub. 575, Pension and Annuity Income and/or IRS Pub. 939, General Rule for Pension and Annuities.**

BOX 10 - Taxable Vested Dual Benefit - This is the gross amount of vested dual benefit (VDB) payments paid in the tax year indicated on the tax statement **less** any VDB repayments made in that tax year and are attributed to that tax year. If the tax year for which the VDB repayment(s) were made is unknown, those repayment amounts will appear in Box 13.

BOX 11 - Taxable Supplemental Annuity - This is the gross amount of supplemental payments paid in the tax year indicated on the tax statement **less** any supplemental annuity repayments made in that tax year and are attributed to that tax year. If the tax year for which the supplemental annuity repayment(s) were made is unknown, those repayment amounts will appear in Box 13.

BOX 12 - Total Gross Taxable - This is the sum of Boxes 9, 10, and 11 on this Form RRB-1099-R (12-92).

BOX 13 - Total Repaid - This is the sum of the taxable NSSEB, tier 2, VDB, and supplemental annuity repaid (repayments) for prior years and repayments that we have not identified as current year repayments made to the RRB in the tax year indicated. Any repaid for the tax year shown on the tax statement have been deducted from the paid components. You may have repaid a benefit by returning a payment, by making a cash refund, or by having an amount withheld from your annuity for overpayment recovery. **Refer to IRS Pub. 575, Pension and Annuity Income**, for instructions on how to handle prior year repayments for income tax purposes.

BOX 14 - Contributory Amount Paid - This item will **not** be completed for tax statements dated prior to 1989. For tax years 1989 through 1991, this is the gross NSSEB and tier 2 benefits paid in the tax year indicated on the tax statement. This figure is provided along with the information in Box 15 to employees and/or survivors of deceased employees covered under the General Rule provisions. They may wish to use the Simplified General Rule method to compute their taxable NSSEB and tier 2 benefits. **Refer to IRS Pub. 575, Pension and Annuity Income and/or IRS Pub. 939, General Rule for Pensions and Annuities.**

BOX 15 - Number of Monthly Payments - This item will **not** be completed for tax statements dated prior to 1989. For tax years 1989 through 1991, this is the gross NSSEB and tier 2 benefits paid in the tax year indicated on the tax statement. Along with Box 14, this information is provided to compute the Simplified General Rule method. If an asterisk (*) is shown in this box, contact the RRB **only** if you decide to compute your taxable NSSEB/tier 2 using the Simplified General Rule method and need this information.