



# Thrift Savings Plan

## Form TSP-U-60 Request for a Transfer Into the TSP

### **Information for TSP Participants, Custodians of Traditional IRAs, and Administrators of Eligible Employer Plans**

Effective July 1, 2001, under Public Law 106-361, the Thrift Savings Plan (TSP) was authorized to accept transfers (or rollovers) of eligible distributions from any eligible retirement plan, including a traditional IRA and an eligible employer plan (or its designated financial institution).

Only TSP participants who have open accounts can transfer money into the TSP. This includes participants who are separated from Federal civilian service or the uniformed services. However, a separated participant who is receiving monthly payments from his or her TSP account cannot transfer money into it. **Participants cannot open a TSP account by transferring funds to the TSP.**

The TSP is a retirement savings and investment plan for Federal employees and members of the uniformed services. Congress established the TSP in the Federal Employees' Retirement System Act of 1986. The Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106-398) extended participation to members of the uniformed services. The TSP provides Federal employees the same types of savings and tax benefits that many private corporations offer their employees under so-called 401(k) plans. The Internal Revenue Code, in 26 U.S.C. § 7701(j), states that the TSP is to be treated as a trust described in 26 U.S.C. § 401(a) which is exempt from taxation under 26 U.S.C. § 501(a). TSP regulations are published in title 5 of the Code of Federal Regulations, Parts 1600-1690, and are periodically supplemented and amended in the Federal Register.

**July 2004**

## **GENERAL INFORMATION FOR PARTICIPANTS AND ELIGIBLE EMPLOYER PLAN ADMINISTRATORS OR CUSTODIANS**

### **What distributions will the TSP accept?**

The TSP will accept distributions from any eligible retirement plan, as defined in Internal Revenue Code (I.R.C.) § 402(c)(8)(B). An eligible retirement plan includes a traditional IRA and an eligible employer plan as defined below. To be accepted by the TSP, distributions must meet different requirements depending on whether they are from a traditional IRA or an eligible employer plan. Before submitting this form, a TSP participant who would like to transfer or roll over money into the TSP from a traditional IRA or an eligible employer plan should check with a representative of his or her IRA or plan to determine what portion of a distribution (if any) meets the applicable requirements, as described below.

**Note:** Participants are required to certify (in Section III of this form) that the distribution they are seeking to transfer or roll over to the TSP meets the applicable requirements. If you cannot sign the certification, the TSP cannot accept your transfer or rollover.

**Traditional IRA.** This is an individual retirement account described in I.R.C. § 408(a) or an individual retirement annuity described in I.R.C. § 408(b). It does not include a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA); distributions from these types of IRAs will not be accepted by the TSP.

The TSP will accept all or a portion of a distribution from a traditional IRA **except** a distribution that:

- is a minimum distribution required by I.R.C. § 401(a)(9); or
- consists of after-tax balances (i.e., money that has already been subjected to Federal income tax).

**Eligible Employer Plan.** This is a plan qualified under I.R.C. § 401(a) (including a § 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan); an I.R.C. § 403(a) annuity plan; an I.R.C. § 403(b) tax-sheltered annuity; or an eligible I.R.C. § 457(b) plan maintained by a governmental employer. In order to be transferred or rolled over into the TSP, the distribution from an eligible employer plan must be an "eligible rollover distribution."

An eligible rollover distribution is a distribution to a participant in a plan of all or a portion of his or her account. However, it **cannot** be:

- one of a series of substantially equal periodic payments made over the life expectancy of the employee (or the joint lives of the employee and designated beneficiary, if applicable), or for a period of 10 years or more;
- a minimum distribution required by I.R.C. § 401(a)(9);
- a hardship distribution;
- a plan loan that is deemed to be a taxable distribution because of default; or
- a return of excess elective deferrals.

Examples of eligible rollover distributions include: a lump sum distribution after terminating employment; an age-based in-service withdrawal; a final single payment after a series of monthly payments; death benefits made to a spouse; or payments made to a spouse or former spouse pursuant to a qualified domestic relations order (QDRO). For Federal civilian employees, an eligible rollover distribution may also include some retirement benefits administered by the Office of Personnel Management (for example, the taxable portion of the Alternative Form of Annuity (AFA) or interest on lump sum retirement credits).

All of the money transferred into the TSP must be money that would have been included in the participant's gross income for the tax year in which the transfer was made, had the money been distributed without being transferred or rolled over. In other words, the TSP will **not** accept transfers or rollovers of

after-tax balances (i.e., money that has already been subjected to Federal income tax). The TSP also will not accept tax-exempt balances (i.e., money that is never subject to Federal income tax) from a uniformed services TSP account into a civilian TSP account.

### **What is the difference between a "transfer" and a "rollover"?**

A **transfer** (also known as a "direct rollover") occurs when the participant instructs a traditional IRA or eligible employer plan to send all or part of his or her eligible distribution directly to the TSP instead of issuing it to the participant.

A **rollover** occurs when the traditional IRA or eligible employer plan makes a distribution to the participant (after withholding the applicable Federal income tax) and the participant deposits all or any part of the gross amount of the distribution into the TSP within 60 days of receiving it.

The check must be made payable to the Thrift Savings Plan; the participant's name and Social Security number must either appear on the check, or accompany the check.

### **How much can a participant transfer or roll over into the TSP?**

A participant can transfer or roll over into the TSP all or any part of a distribution that meets the applicable requirements (described above) and that does not include after-tax or tax-exempt balances. If the distribution is made to the participant, an IRA may withhold taxes; an eligible employer plan must withhold taxes before making the distribution. The participant can roll over the entire amount of the distribution, including any amount that was withheld for taxes, by making up with personal funds the amount that was withheld.

**Note:** Any portion of the distribution that the participant chooses not to transfer or roll over will be taxed as ordinary income in the year it is received. In addition, if the participant is younger than 59½ at the time of distribution, he or she may have to pay a 10% early withdrawal penalty tax on the amount that was not transferred or rolled over.

There is no limit to the number of transfers or rollovers into the TSP that a participant can make. For example, if you were a participant in two different private-sector qualified retirement plans, you can transfer or roll over money from both plans into the TSP.

### **How does the annual elective deferral limit affect transfers?**

Money that is transferred or rolled over into the TSP is not applied to the annual elective deferral limit (\$12,000 in 2003) that is imposed on regular employee contributions.

### **What happens to the money once it reaches the TSP?**

Money that is transferred or rolled over to the TSP is allocated to the TSP funds according to the participant's most current contribution allocation on file. Once the money is deposited in the TSP, it is treated like employee contributions and will be subject to the same plan rules as all other employee balances in the account. These rules may be different from the rules of the IRA or plan. For example, the money will be available for loans or in-service withdrawals. Any future transactions a participant makes will apply to the entire account balance without distinction as to the money that has been transferred. The money will be subject to court orders against the TSP account, and spousal rights rules will apply to all loans and withdrawals from the account.

**Note:** Because the TSP accepts only funds that have never been taxed, funds transferred into the TSP will be subject to taxation when they are eventually distributed to the participant. Therefore, you must make sure you are asking the TSP to accept only funds that have not already been taxed.



# THRIFT SAVINGS PLAN REQUEST FOR A TRANSFER INTO THE TSP

## TSP-U-60

Use this form to request a transfer or to complete a rollover from an eligible retirement plan into your uniformed services Thrift Savings Plan (TSP) account. To transfer funds into the TSP, **you must have an open TSP account** and you cannot be receiving monthly payments from it. A check (showing the participant's name and Social Security number) **should accompany this form**. Otherwise, funds received by the TSP will not be invested until a properly completed Form TSP-U-60 has been received. Once funds are deposited into the TSP, they are allocated according to the most current contribution allocation on file. **Give this entire form with cover page to the trustee (or custodian) of your traditional IRA or to the administrator of your eligible employer plan.**

**Warning:** Any intentional false statement in this request or willful misrepresentation concerning it is a violation of law that is punishable by a fine of as much as \$10,000 or imprisonment for as long as 5 years, or both (18 U.S.C. 1001).

### I. INFORMATION ABOUT YOU

1. Name \_\_\_\_\_  
Last First Middle
2. \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_      3. \_\_\_\_/\_\_\_\_/\_\_\_\_      4. (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
Social Security Number      Date of Birth (mm/dd/yyyy)      Daytime Phone (Area Code and Number)
5. Address \_\_\_\_\_  
Street address or box number
6. City \_\_\_\_\_      7. \_\_\_\_\_      8. \_\_\_\_\_  
State/Country      Zip Code

### II. INFORMATION ABOUT YOUR FUNDS

*(See Section II instructions on back of form.)*

9. This is a:  Transfer  Rollover (For complete definitions, see General Information on page 2. **Note:** If this is a **direct rollover**, check "Transfer.")
10. Amount being submitted \$ \_\_\_\_\_
11. If this is a rollover, the date you received the distribution \_\_\_\_/\_\_\_\_/\_\_\_\_  
mm dd yyyy
12. This distribution is from my:  
 Eligible Employer Plan       Traditional IRA

### III. YOUR CERTIFICATION

I, \_\_\_\_\_, certify to the best of my knowledge that the distribution I am transferring or rolling over to the TSP meets the requirements for a distribution from a traditional IRA or an eligible employer plan (whichever is applicable) that are described on page 2 of this form.

I further certify that I have read this form in its entirety and that the information I have provided is true and complete to the best of my knowledge.

13. \_\_\_\_\_      14. \_\_\_\_\_  
Participant's Signature      Date Signed

### IV. CERTIFICATION BY IRA OR PLAN

This section **must** be completed by the trustee (or custodian) of the traditional IRA or by the administrator of the eligible employer plan from which the distribution is being (or was) distributed. **Do not send funds if this form is not completed in its entirety.** The participant's Social Security number **must** be included on the check.\*

15. Gross amount of distribution (see back of form). \$ \_\_\_\_\_

I certify that the funds are being or have been distributed from an eligible retirement plan as defined in I.R.C. § 402(c)(8)(B).

16. \_\_\_\_\_  
Typed or printed name of Financial Institution Representative or Plan Administrator
17. \_\_\_\_\_      18. \_\_\_\_\_  
Signature of Financial Institution Representative or Plan Administrator      Date Signed
19. \_\_\_\_\_      20. (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
Name of Institution      Contact Phone Number
21. \_\_\_\_\_  
Address

\* **Note:** If the IRA or plan is prohibited from providing the participant's Social Security number on its check, please enclose a document containing this information with the check.

## FORM TSP-U-60 INSTRUCTIONS

Use this form to request that the Thrift Savings Plan (TSP) accept a transfer or rollover of all or any tax-deferred portion of your distribution from a traditional IRA or an eligible employer plan and deposit it into your uniformed services TSP account. You must have an **open** uniformed services TSP account when your request is received by the TSP, and you cannot be receiving monthly payments from your account.

Participants **must** complete Sections I, II, and III of this form.

**If the IRA or plan is transferring the distribution directly** to the TSP, give the completed form to the trustee of your traditional IRA or to the administrator of your eligible employer plan so that he or she can complete Section IV and transfer your funds.

**If you have already received the distribution** from your IRA or plan, ask the IRA trustee or the administrator of the plan to complete Section IV and return the form to you as soon as possible.

This form and a check made payable to the Thrift Savings Plan, providing the participant's name and Social Security number, should be mailed to:

**TSP Service Office  
National Finance Center  
P.O. Box 61074  
New Orleans, LA 70161-1074**

If you have questions, call the ThriftLine at 1-TSP-YOU-FRST (1-877-968-3778) or the TDD at 1-TSP-THRIFT5 (1-877-847-4385). Outside the U.S. and Canada, please call 1-504-255-8777.

**Note:** The TSP cannot accept transfers from IRAs that are not traditional IRAs (as defined on page 2), nor will the TSP accept after-tax balances (i.e., money that has already been subjected to Federal income tax) from a traditional IRA or an eligible employer plan. The TSP also will not accept tax-exempt balances (i.e., money that is never subject to Federal income tax) from a uniformed services TSP account into a civilian TSP account.

**In addition**, if the TSP does not receive a Form TSP-U-60 but receives a check without a participant's identification (name and Social Security number), the funds will be returned to the sender. If the TSP does not receive a Form TSP-U-60, but receives a check with the participant's identification, the funds will be held for 30 days from the date of receipt without earnings. If a properly completed Form TSP-U-60 is not received within that 30-day period, a check will be issued to the sender.

**Your transfer or rollover will be deposited according to your most current contribution allocation on file with the TSP.**

Transfers and rollovers into the TSP are treated as employee contributions. As such, they will be subject to all the rules and regulations applicable to all TSP employee contributions. However, they are not subject to the IRS elective deferral limit, which limits the amount of tax-deferred contributions you can make to a retirement plan in a particular year.

**SECTION I.** Complete **Items 1 – 8**. If you are currently a member of the uniformed services and the address you provide on this form is different from the address in your TSP record, have your service submit an address change for you; the address on this form cannot be used to update your TSP record. However, if you are separated from the uniformed services, the address you provide here will be used to update the address in your TSP record.

**SECTION II.** Complete this section. In **Item 9** indicate whether the funds are going to be transferred directly from the financial institution holding your traditional IRA or from your former eligible employer plan (i.e., check the box to indicate that this will be a "Transfer"; also known as a "direct rollover") or whether the distribution has already been paid to you and you will send a check in the amount of the distribution to the TSP (i.e., check the box to indicate that this will be a "Rollover"). For additional information, see "What is the difference between a 'transfer' and a 'rollover'?" in the General Information section on page 2.

**Item 10.** Indicate the total amount that is being deposited into the TSP. This is the amount of the check that you will send to the TSP. The amount you indicate here cannot exceed the amount shown in **Item 15**. If the distribution is being transferred directly from your IRA or plan and you do not know the exact amount of the distribution, leave this item blank.

**Item 11.** If you have already received the distribution, provide the **date that you received** the distribution. Otherwise, leave this item blank.

**Item 12.** Check the appropriate box to indicate whether the distribution is from your traditional IRA or eligible employer plan (see definitions of these terms on page 2). Complete this information whether the distribution is being transferred or rolled over.

**SECTION III.** Provide your name in the blank space. Read "What distributions will the TSP accept?" on page 2 of this form and sign and date **Items 13 and 14** if the information is correct. If you cannot certify that your transfer or rollover meets all of the requirements described, you **cannot** transfer or roll over your distribution into the TSP.

**SECTION IV. This section must be completed by the trustee (or custodian) of the traditional IRA or the administrator of the eligible employer plan.** Therefore, the instructions for this section are intended for your IRA or plan representative. **Note:** The TSP will not deposit funds into a participant's account unless Section IV is completed.

**If the eligible rollover distribution is being transferred** from a traditional IRA or eligible employer plan directly to the TSP, the IRA or plan must mail the completed Form TSP-U-60 and a check for the amount being transferred directly to the TSP Service Office at the address shown on this page. **Note:** A check showing the **participant's name and Social Security number** should accompany this form. If your plan's policy prohibits placing the participant's Social Security number on the check, enclose a document containing this information so that the funds can be deposited into the proper account. **If we cannot identify the participant's account** to which the funds should be deposited, we will return the check to the sender.

**If the distribution has already been made to the participant**, the IRA or plan administrator should return the completed form to the participant as soon as possible so that he or she can make the rollover within the allowed 60-calendar-day period and include a personal check or money order with the form.

**Item 15.** Indicate the total gross amount of the distribution that is being or that was made from the IRA or plan. If the distribution is being transferred directly from the IRA or plan to the TSP, make the distribution check **payable to the Thrift Savings Plan**.

**Items 16 – 21.** Read the certification and complete the requested information.

**PRIVACY ACT NOTICE.** We are authorized to request this information under 5 U.S.C. chapter 84. Executive Order 9397 authorizes us to ask for your Social Security number, which will be used to identify your TSP uniformed services account. We will use the information you provide on this form to process your request for a transfer into the TSP. This information may be shared with other Federal agencies and the uniformed services for statistical, auditing, or archiving purposes. In addition, we may share the information with law enforcement agencies

investigating a violation of civil, criminal, or military law, or agencies implementing a statute, rule, or order. It may be shared with congressional offices, private sector audit firms, spouses, former spouses, and beneficiaries, and their attorneys. We may also disclose relevant portions of the information to appropriate parties engaged in litigation. You are not required by law to provide this information, but if you do not provide it, we will not be able to process your request.