

# Reduced Benefit Election—Instructions

Before electing the Reduced Benefit Election, talk to a CalSTRS benefits specialist and read the applicable section of the *Member Handbook* to make sure you fully understand the program and how it affects your retirement benefit.

Complete this form and submit it with your *Service Retirement Application* to elect a reduced benefit under the Reduced Benefit Election.

If you are at least age 55, but under age 60, and have at least five years of service credit, you can apply for retirement under this alternate program. See the *Your Retirement Guide* booklet for more information.

You are not eligible for this program if you previously received a service retirement or a Coverage A or Coverage B disability benefit from CalSTRS, are applying for service retirement while your disability application is being evaluated, or are a CalSTRS 2% at 62 member.

If you choose the Reduced Benefit Election, you will receive one-half of the monthly retirement benefit calculated as if you were age 60. The reduced benefit will continue for the same number of months after age 60 that you received benefits before age 60. After that, you will receive your full retirement benefit. Your benefit will begin to accrue annual benefit adjustments at age 60 but you will not receive adjustment payments until you start receiving your normal retirement benefit.

See the example below to estimate your reduced benefit and when your benefit would increase to its full amount.

If you wish to cancel your election, CalSTRS must receive the *Service Retirement Application Change Request* form no later than 30 days from the date your first benefit payment is issued.

## SECTION 1—MEMBER INFORMATION

Be sure your name is written as it appears on your Social Security card. If you know it, include your Client ID instead of your Social Security number. You can find your Client ID on your *Retirement Progress Report*. Include your telephone number so we can contact you if we have any questions.

## SECTION 2—REDUCED BENEFIT ELECTION

Check the box to elect the Reduced Benefit Election. By checking this box, you acknowledge that you have read the information about the program and understand how electing the program affects your benefit.

## SECTION 3—REQUIRED SIGNATURES

Check all boxes that apply, then sign and date your *Reduced Benefit Election* form and submit it to CalSTRS with your *Service Retirement Application*. If you are married or registered as a domestic partner, your spouse or partner also must sign and date both forms. Your signature date is the date you signed your application.

If your spouse or registered domestic partner does not sign the *Reduced Benefit Election* form, you must include a signed *Justification for Non-Signature of Spouse or Registered Domestic Partner* form, available at [CalSTRS.com/forms](http://CalSTRS.com/forms), with your application.

If you divorced or terminated a registered domestic partnership and a portion of your CalSTRS benefits was awarded to a former spouse or registered domestic partner, check the box that indicates this. You may need to refer to your settlement agreement to make this determination. If your court documents have not been reviewed by CalSTRS, you may be asked to provide them.

### Reduced Benefit Election Example

In this example, a member who is age 57 and five months at retirement, has a final compensation of \$5,000 and 25 years of service credit would receive \$1,250 a month from retirement until age 62 and seven months (five years and two months after retirement). The member's retirement benefit then would permanently increase to the Member-Only Benefit amount of \$2,500. The member would begin to accrue annual benefit adjustments at age 60 but would not receive adjustment payments until he or she starts receiving the Member-Only Benefit amount.

Use your actual numbers to determine your approximate benefit reduction amount and the length of time you would receive the reduced benefit.

<i>Final Compensation</i>			<i>Age Factor at Age 60</i>			<i>Years of Service Credit</i>			<i>Member-Only Benefit*</i>
\$5,000	X		.02	X		25	=		\$2,500
			<i>Member-Only Benefit Amount (from above)</i>						<i>Reduced Benefit Amount</i>
			\$2,500	X		.50	=		\$1,250
<i>Age</i>			<i>Age at Retirement</i>			<i>Age Difference</i>			<i>Duration of the Reduced Benefit Amount</i>
60    0	—		57    5	=		2    7	X 2 =		5    2
YRS    MOS			YRS    MOS			YRS    MOS			YRS    MOS

\*This example assumes no option beneficiary was elected. If you elect an option beneficiary, your benefit will be further reduced.

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# Reduced Benefit Election

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# CALSTRS

California State Teachers' Retirement System  
P.O. Box 15275, MS 65  
Sacramento, CA 95851-0275  
**800-228-5453**  
CalSTRS.com

If you would like to elect the **Reduced Benefit Election**, complete, sign, date and submit this form with your *Service Retirement Application*. You must be at least age 55, but under age 60, have at least five years of service credit and meet the other requirements to apply for retirement under the Reduced Benefit Election.



You can use your *myCalSTRS* account at [myCalSTRS.com](http://myCalSTRS.com) to complete and submit your form online.

## Section 1: Member Information

NAME (LAST, FIRST, INITIAL)

CLIENT ID OR SOCIAL SECURITY NUMBER

MAILING ADDRESS

DATE OF BIRTH (MM/DD/YYYY)

(     )

CITY

STATE

ZIP CODE

HOME TELEPHONE

EMAIL ADDRESS

## Section 2: Reduced Benefit Election

I have read and understand the description of the Reduced Benefit Election in the instructions and the *Your Retirement Guide* booklet and elect:

- Reduced Benefit Election.** I am applying for retirement and elect this alternate program. I understand my monthly benefit will be reduced for a period of time.

## Section 3: Required Signatures

**Check all that apply to your current and any previous marital status.**

- I am married or registered as a domestic partner and both our signatures are on the next page.
- I am married or registered as a domestic partner and my spouse or registered domestic partner did not sign this form. I have completed, signed and enclosed the *Justification for Non-Signature of Spouse or Registered Domestic Partner* form. 
- I have never been married or in a registered domestic partnership **OR** I am widowed or my registered domestic partner has died.
- I have been divorced or terminated a registered domestic partnership and my former spouse or registered domestic partner was awarded a portion of my CalSTRS benefits.
- I have been divorced or terminated a registered domestic partnership and my former spouse or registered domestic partner was *not* awarded a portion of my CalSTRS benefits.

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Name \_\_\_\_\_ Client ID or SSN \_\_\_\_\_

**Section 3: Required Signatures** continued

I certify that I have read the Reduced Benefit Election Instructions and the *Your Retirement Guide* booklet and I understand that when my Reduced Benefit Election is accepted with my *Service Retirement Application*, I am only able to change my election if CalSTRS receives the *Service Retirement Application Change Request* form no later than 30 days after the date my first benefit payment is issued.

I understand I will receive one-half of the monthly retirement benefit calculated as if I were age 60. The reduced benefit will continue for the same number of months after age 60 that I received benefits before age 60. After that, I will receive my normal retirement benefit.

**Required Signatures**

I understand it is a crime to fail to disclose a material fact or to make any knowingly false material statement, including a false statement regarding my marital status, for the purpose of using it, or allowing it to be used, to obtain, receive, continue, increase, deny or reduce any benefit administered by CalSTRS and it may result in penalties, including restitution, of up to one year in jail and/or a fine of up to \$5,000 (Education Code section 22010). It may also result in any document containing such false representation being voided.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct. I understand that perjury is punishable by imprisonment for up to four years (Penal Code section 126).



MEMBER'S SIGNATURE

SIGNATURE DATE (MM/DD/YYYY)



CURRENT SPOUSE'S OR REGISTERED DOMESTIC PARTNER'S SIGNATURE

SIGNATURE DATE (MM/DD/YYYY)