



# ELECTION TO MAKE/CHANGE VOLUNTARY ADDITIONAL CONTRIBUTIONS

IMRF Form 6.30 (Rev. 02/2014)

Voluntary Additional Contributions (VAC) are designed to give you an easy way to save additional retirement income. You should carefully review details about the VAC program to determine if it is the right choice for you.

### Voluntary Additional Contributions:

- Are limited to a maximum of 10% of your IMRF reportable earnings. (Additional limits apply to Tier 2 members)
- Are after tax, not tax-deferred.
- Employers **do not match** VA Contributions and they **do not contribute** to Voluntary Additional annuities.
- Accrue interest differently than traditional saving accounts.
- Can be withdrawn at any time. When you receive your interest depends upon your employment status.

### Additional Information:

- Your VAC will begin in the month specified below, when your application is received and your employer begins reporting it.
- You may stop Voluntary Additional Contributions at any time by notifying your Authorized Agent. Your Authorized Agent should tell IMRF the last month VAC will be reported for you.
- At retirement Voluntary Additional Contributions may be:
  - Taken in a lump sum
  - or
  - Applied to a monthly annuity if your VAC balance is \$4,500 or more.

Please review the following page which includes additional important details and tax information.

### PLEASE PRINT

MEMBER'S LAST NAME , FIRST NAME, MIDDLE INITIAL, JR., SR., II, ETC.	SOCIAL SECURITY NUMBER _____ - _____ - _____
EMPLOYER NAME DeKalb County Government	EMPLOYER IMRF I.D. NUMBER 2996

### CERTIFICATION BY MEMBER

I elect to (check one):

- Make** Voluntary Additional Contributions to the Illinois Municipal Retirement Fund **at the rate of** \_\_\_\_\_% (NOT TO EXCEED 10%) and authorize my employer to deduct these contributions from my earnings.
- Change** my Voluntary Additional Contributions to the Illinois Municipal Retirement fund **to the rate of** \_\_\_\_\_% (NOT TO EXCEED 10%) and authorize my employer to deduct these contributions from my earnings.

**X** \_\_\_\_\_  
SIGNATURE OF MEMBER

\_\_\_\_\_  
DATE (MM/DD/YYYY)

### CERTIFICATION BY AUTHORIZED AGENT

I certify that Voluntary Additional Contributions will be made from the member's IMRF reportable earnings beginning with earnings paid in

\_\_\_\_\_ 20 \_\_\_\_\_ at the rate specified.

**X** \_\_\_\_\_  
SIGNATURE OF AUTHORIZED AGENT

\_\_\_\_\_  
DATE (MM/DD/YYYY)

### Illinois Municipal Retirement Fund

2211 York Road Suite 500 Oak Brook Illinois 60523-2337

Member Services Representatives 1-800-ASK-IMRF (1-800-275-4673) Fax (630) 706-4289

[www.imrf.org](http://www.imrf.org)

## Additional Information about the Voluntary Additional Contribution Program

If you choose to make VA contributions, your employer will deduct your additional contributions from your IMRF reportable earnings and report them to IMRF. Your VAC account is an individual account consisting only of your contributions and any interest you earn on them. Employers do not make any contributions to your VA account.

### How much can I contribute to my VAC account?

- If you are a Tier 1 member, you may contribute any amount up to 10% of your earnings to the Voluntary Additional Contribution program.
- If you are a Tier 2 member, you may contribute any amount up to 10% of your Tier 2 wage cap. This wage cap varies from year to year. You can find the current year's wage cap at [www.imrf.org](http://www.imrf.org).

### How is interest credited?

- IMRF credits interest to VAC accounts at the end of the year based upon the opening balance amount at the beginning of the year. You will not earn any interest the first year you begin making Voluntary Additional Contributions.
- The interest rate is currently 7-1/2%. This interest rate can change in the future. If the interest rate changes, IMRF will not notify VAC participants of the change.

### What if I want to take a refund of my VAC?

- You can take a refund of your VAC at any time. You must withdraw all of your VAC—you cannot take a partial refund. Your employment status determines when you receive your interest.

#### ***If you are still working for an IMRF employer:***

- You will receive a refund of your VA contributions only. Your interest must remain on deposit with IMRF until you either retire from IMRF or stop working for your IMRF employer. Interest on deposit will continue to earn additional interest.
- You may choose to continue making VAC contributions or stop making contributions.

#### ***If you no longer work for an IMRF employer:***

- You will receive a refund of your VA contributions and all interest earned.
- If you do not roll over your accumulated interest directly into an IRA or other qualified retirement plan, IMRF is required by federal law to make a tax withholding of 20% of the interest.

### What other tax information should I be aware of?

- While VA contributions are after-tax, the interest credited to your VAC account is tax-deferred.
- If you withdraw your VAC before age 59-1/2 (age 55 if terminating employment with the IMRF employer), you may have income tax penalties unless you roll over the taxable amount into an eligible retirement plan.

### What are my choices at retirement?

- If you leave your VAC on deposit until you retire from IMRF, at retirement you may choose to receive your Voluntary Additional Contributions as:
  - A lump sum  
or
  - A monthly annuity if your VAC balance is \$4,500 or more. Employers do not contribute to this annuity.

### What else should I know about the VAC program?

- If you choose to stop VA contributions while working for an IMRF employer, you can:
  - Leave your VAC on deposit with IMRF or request a refund
  - Re-enroll in the VA program at any time
- If you are no longer working for an IMRF employer, you can:
  - Leave your VAC on deposit with IMRF if you also leave your regular IMRF contributions on deposit.
  - Choose to withdraw your VAC but leave your regular contributions on deposit.
- If you stop working for an IMRF employer and request a refund of your regular contributions, you must also withdraw your VAC.
- If you die before receiving your VAC, upon your death, your accumulated VAC, with interest, will be paid to your beneficiary(ies).

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