

Delaware Public Employees' Retirement System NEWSLETTER

Retiree Edition

July 2017

Information Regarding Your Burial Benefit

In accordance with Delaware Code, upon the death of an employee retired from the State Employees' Pension Plan, the Closed State Police Plan, the New State Police Plan, or the Legislative Plan a burial benefit in the amount of \$7,000 will be paid to a named beneficiary. There is no policy number or cash value associated with this benefit. This is not an insurance policy. As such, **this is a taxable benefit to the individual or individuals named as beneficiary.**

At the time of retirement, individuals retiring from the above pension plans will have the opportunity to name a beneficiary to receive the \$7,000 burial benefit. Once the Pension Office is notified of the pensioner's death, paperwork will be mailed to the beneficiary. This paperwork will include information regarding federal regulations the Pension Office must follow, the taxability of the benefit, and the rights and options of the beneficiary.

The beneficiary will have the right to take the monies in several different ways. The beneficiary may choose to take the monies as a cash payment or to assign the monies to a funeral home. **Both of these options create a taxable event for the beneficiary.** The beneficiary will receive tax form 1099R and be required to claim the monies on their income tax return as taxable income. The beneficiary has the option to avoid a taxable event by rolling monies over to an IRA or other eligible plan. If a spouse is the named beneficiary, the monies can be rolled into a traditional IRA or any other plan that will accept them. If anyone other than a spouse is named beneficiary, they are limited to rolling the monies only to an Inherited (or Beneficiary) IRA.

If you have named a beneficiary only so that person can use the burial benefit monies to pay funeral expenses, please be aware the release of these monies will create a taxable event for that person.

If it is your intention for the burial benefit to be used to pay for your funeral expenses, you have the option to name the funeral home as the beneficiary.

In order to do this, you must contact the funeral home to get their Tax Identification Number so you can complete the Designation of Beneficiary form in its entirety. If you choose this option, the Pension Office will, after being notified of your death, release all burial benefit paperwork to the funeral home, the funeral home will complete the paperwork, and then payment will be released directly to the funeral home. In this way, no taxable event is created for a relative or friend who is doing nothing more than completing paperwork and assigning the monies to a funeral home.

Regardless of who you name as beneficiary, you should always make sure the Pension Office has up-to-date contact information for that individual or individuals. Payment cannot be made if we are unable to contact your beneficiary to provide them with the necessary paperwork to be completed and/or request appropriate documentation.

If you are unsure who you have named as beneficiary, please refer to your last Retiree Annual Statement that was mailed to you in February.

To update your current beneficiary contact information or to change the beneficiary you have listed, print and complete the Burial Benefit Designation/Change of Beneficiary Form found on our website: www.delawarepensions.com

Upcoming Pension Benefit Check Dates:

Pension benefits are payable on the last working day of each month, with the exception of December. The schedule for the balance of 2017 is as follows:

Thursday, August 31, 2017

Thursday, November 30, 2017

Friday, September 29, 2017

Friday, December 22, 2017

Tuesday, October 31, 2017

The Pension Office will be closed on the following dates:

Labor Day	Monday, September 4, 2017
Veteran's Day	Friday, November 10, 2017
Thanksgiving Day	Thursday, November 23, 2017
Day after Thanksgiving	Friday, November 24, 2017
Christmas Day	Monday, December 25, 2017



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Caroline Baxter, *Retiree from the Delaware State Parks*

Several months after I retired in 2011, I saw an article in Modern Maturity Center's bulletin about the Osher Lifelong Learning Institute. After attending an open house event in Dover, I signed up for two classes offered at the spring 2012 semester. I was very impressed with the relaxed environment, enthusiastic instructors, and that there were none of the stresses like tests, homework or grades. Since those first courses, I have taken classes in a variety of subjects. It has been a great opportunity to stretch mentally in the company of other members from a wide range

of backgrounds who had much to contribute to the learning experience. I am very glad that I took advantage of the opportunity in 2012 and look forward to many more years of learning new things and meeting new people.

The Osher Lifelong Learning Institute at the University of Delaware is a membership organization for adults 50 and over to enjoy classes, teach and exchange ideas. The program is a learning cooperative whose members are its students, planners, instructors, committee members and facilitators. UD offers Osher lifelong learning programs in Wilmington, Dover, and Lewes.

For more information about the program visit www.lifelonglearning.udel.edu/, call 302-831-7600, or send an email to continuing.edu@udel.edu.



Phone Fraud is Bigger Than Ever

By Doug Shadel, AARP Bulletin (/bulletin/) April 2017



For as long as there have been telephones, there have been crooks trying to call and steal your money. What is new is the sheer volume of unsolicited calls that Americans endure each year – over 29 billion in 2016 alone by one estimate, including lots of potential rip-offs. No wonder fraud complaints have increased nearly 60 percent since 2010, according to the Federal Trade Commission. Scams are continuing to show up across the country this year.

The IRS scam

The voice on the other end of the line claims to be an IRS agent criminal investigator. Arrest is imminent if you don't immediately pay thousands of dollars in back taxes. Individuals are instructed to put \$500 on multiple iTunes gift cards and give up the 16-digit codes. Don't be fooled. The IRS would never ask a taxpayer to buy iTunes cards for any reason.

Computer Caper

Internet scam artists create little boxes that pop up on your computer screen, telling you that you have a virus and need to call for technical support. Don't believe it. Computer companies never notify customers of a problem through pop-ups, unless it is from virus-protection software that you installed.

The Fake Sheriff

You get a call from someone posing as a sheriff's deputy claiming you've missed jury duty and owe the county a \$1,000 fine. Pay immediately, the caller says or you will go to jail. Rest assured, no sheriff or court will call you and demand payment like this for missing jury duty. If you get this call, hang up, then call the police and report it.

Lottery Fraud

A con artist calls and tells you that you have won the Australian (or Jamaican) lottery. All you have to do to collect is wire \$1,500. Lotteries never call to give money to people who haven't even bought a ticket.

Credit Card Con

You get a call from your bank that there is a problem with your account. To straighten it out they need your account number, date of birth and the last four digits of your Social Security number. Hang up. This is a scam to get information to hack your account.

When Phonies Phone

Don't let crooks scare you off from answering a call.

1. **Do some research.** Google the salesperson and company before you buy. Explore their reputations thoroughly. If you can't locate solid information, walk away.
2. **Don't react out of fear.** No matter how threatening or urgent their script, do not act immediately. Always hang up and give yourself time to think it over and check them out.
3. **Trust your instincts.** If a caller sounds fishy, hang up. The chances of losing out on a great deal are much less than losing your nest egg.