Important Tax Information

Understanding Your 2016 1099-R Tax Document

For MSRS Annuity Benefit Recipients Only

Distributions from pensions, annuities, and retirement plans are reported to recipients on Form 1099-R.

Box 2a. This part of the distribution is generally taxable. Box 2a has been reduced by the annual exclusion of previously taxed contributions.

Note: If you are an eligible retired public safety officer, the amount shown in Box 2a does not show the amount of health-insurance premiums that were deducted from your annuity benefits. That amount will be reported to you in a separate letter. See the instructions for *Form 1040* or *Form 1040A* for more information.

Box 4. Shows **federal income tax withheld.** Include this amount on your income tax return as tax withheld. You can change your future withholding or elect not to have income tax withheld by completing MSRS form *W-4P Withholding Certificate for Pension or Benefit Payments.* Contact MSRS at 651-296-2761 or 1-800-657-5757 for this form, or you may access your MSRS *Account Online* and make the withholding change.

Box 1. Shows the gross benefit payment for the year. If you are collecting a disability benefit, different tax rules may apply. See the instructions for *Form 1040* or *Form 1040A* for more information.

Box 5. This is the amount of employee after-tax contributions recovered this year.

☐ CORRECTED (IF CHECKED)

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code MINNESOTA STATE RETIREMENT SYSTEM 60 EMPIRE DRIVE SUITE 300 ST PAUL MN 55103-3000 1-800-657-5757	1 Gross distribution $ 2a Taxable amount $ 2b Taxable amount not determined ☐ Total distribution ☐	OMB No. 1545-0119 **2016** Form **1099-R**	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
PAYER'S federal identification number 41-6111469 / RECIPIENT'S identification number	3 Capital gain (included in box 2a) $	4 Federal income tax withheld $	Copy C For Recipient's Records
RECIPIENT'S name (first, middle, last) and address	5 Employee contributions / Designated Roth contributions or insurance premiums $	6 Net unrealized appreciation in employer's securities $	This information is being furnished to the Internal Revenue Service.
	7 Distribution code(s) / IRA/SEP/SIMPLE ☐	8 Other $ %	
Account Number (see instructions)	9a Your percentage of total distribution %	9b Total employee contributions $	
10 Amount Allocable to IRR within 5 years / 11 1st year of desig. Roth contributions / 12 State tax withheld $	13 State/Payer's state no. MN 7535919	14 State distribution $	

Form **1099-R** www.irs.gov/form1099r Department of the Treasury - Internal Revenue Service

Account number. The first 10 digits represent your unique MSRS member number. The remaining digits are for MSRS use only.

Recipient's identification number. This is your Social Security number. The first five digits (i.e. xxx-xx) have been masked or truncated for data privacy purposes.

Box 13. Shows MSRS' Minnesota tax identification number.

Box 9b. Shows remaining balance of previously taxed contributions to be recovered by annual exclusions in future years.

1099-R Instructions Continued on Back

Understanding Your 2016 1099-R Tax Document

Box 7. The codes (shown below) identify the type of distribution you received.
For more information on these distributions, see the federal income tax return instructions.

DISTRIBUTION CODES

2. Early distribution, exception applies (under age 59 1/2)
3. Disability
7. Normal distribution

☐ CORRECTED (IF CHECKED)

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code MINNESOTA STATE RETIREMENT SYSTEM 60 EMPIRE DRIVE SUITE 300 ST PAUL MN 55103-3000 1-800-657-5757	1 Gross distribution $ 2a Taxable amount $ 2b Taxable amount not determined ☐	OMB No. 1545-0119 **2016** Form **1099-R** Total distribution ☐	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
PAYER'S federal identification number 41-6111469 / RECIPIENT'S identification number	3 Capital gain (included in box 2a) $	4 Federal income tax withheld $	Copy C For Recipient's Records
RECIPIENT'S name (first, middle, last) and address	5 Employee contributions / Designated Roth contributions or insurance premiums $	6 Net unrealized appreciation in employer's securities $	This information is being furnished to the Internal Revenue Service.
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Box 12. If state income tax was withheld from the distribution, this box shows the amount submitted to the Minnesota Department of Revenue to cover your Minnesota tax liability. Include this amount on your Minnesota income tax return as tax withheld. See the instructions for Box 4 on the front side of this document if you wish to change your future Minnesota withholding tax amount.

Box 14. State taxable income.

Additional IRS Information.
You may want to review:

- **Publication 575**, *Pension and Annuity Income*
- **Publication 939**, *General Rule for Pensions and Annuities*

This is not intended to be tax advice.

MSRS Minnesota State Retirement System
Your Foundation for Retirement

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