Partial Lump-Sum Option (PLSO)
Partial Lump-Sum Payment
Retiring Soon

At retirement, you can decide to take a lump-sum payment equal to 12 months or 24 months of your lifetime monthly retirement benefit. By deciding to receive a lump-sum payment, your lifetime monthly benefit will be permanently reduced.

Tax Provisions

Your PLSO payment is fully taxable. You’re subject to the following if the PLSO payment is paid directly to you:

1. Federal income tax
   - 20% federal income tax withholding on the eligible portion of the distribution
   - A 10% early withdrawal tax penalty if the PLSO is taken before age 59 1/2, unless your employment ends during the year you turn age 55 or later.
   
   **Note:** If you’re a qualified public safety employee* who has stopped working after age 50, IRS may waive the 10% early withdrawal penalty tax.

   If you roll over to the URS 401(k) Plan, those funds will be subject to the rules and tax treatment of the plan. Thus, you may be subject to the additional 10% penalty tax.

   * A qualified public safety employee is defined as any employee who provides police protection, firefighting services or emergency medical services for any area within the jurisdiction of the employing state or political subdivision.

2. Utah state income tax

3. Possible taxes of the state where you live if other than Utah.
Rollover
To defer paying immediate taxes on your PLSO payment, you may rollover all or an eligible portion of your PLSO to a URS 401(k) Plan.

A rollover to the URS 401(k) Plan will not be taxed on the balance in the current year and may defer your taxable distributions over your lifetime. See the URS 401(k) Summary Plan description for more information (available at www.urs.org under Publications).

Estimating How a PLSO Will Affect Your Monthly Benefit
Compute an estimate of your potential monthly benefit and PLSO amounts online using the Retirement Benefit Estimator at www.urs.org. If you’re planning to retire in the next 12 months, contact our office for a URS-generated estimate.

Submitting an Application
To request a retirement application or make an appointment with a retirement counselor contact our office. Your application setting your retirement date must be filed with our office no more than 90 days before or 90 days after your retirement date. In addition, to apply for a PLSO, you must complete a PLSO application to select the option and payout method.

Payment of Lifetime Monthly Benefit and Lump-sum Payment
Your lifetime monthly benefit and your PLSO payment (paid separately), may be delayed up to three months following your retirement date, or the date your application is filed with URS, whichever is later. This delay is due in part to the time required to receive and post information from your employer. You will receive an “estimated” monthly benefit and 80% of your lump-sum payment while we are finalizing your monthly benefit.
Partial Lump-Sum Payment (Continued)

An Additional 3% Payment
You may receive an additional 3% added to your lifetime monthly retirement benefit and your lump-sum payment if you had retirement contributions in your account on January 1, 1989.

Domestic Relations Order (DRO)
If you’re subject to a DRO, all or part of your PLSO payment may be payable to former spouses and family members upon your termination and application for benefits.

Things to Consider When Taking the PLSO
The monthly benefit reduction for taking a PLSO is permanent. Carefully consider the reduced benefit to be sure you can meet future financial obligations. The decision to take a PLSO at retirement should be made with great care.

To Learn More
This brochure contains only general information. For specific details about the PLSO, contact URS.

Planning to Retire Soon?
Find information and resources at www.urs.org/us/retiresoon.