

# OFFICE OF PENSIONS

## Training and Development Quarterly Newsletter



JUNE 2023

Greetings! We are happy to provide this quarterly newsletter to remind and inform our End Users about items of importance. In this issue, we announce our new App, discuss Burial Benefits, give a reminder about the availability of the Summary Plan Description booklet, and review information about eligible survivors and completing actuarial forms.

The Office of Pensions has a new App! It is called the DPERS (Delaware Public Employees Retirement Systems) App, and it is available now! See below for information, and be sure to notify your employees!

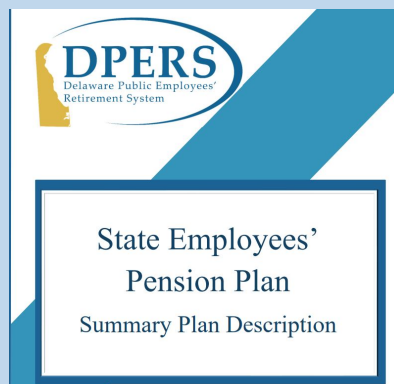


*Go to Google Play or the Apple Store and Get the new DPERS App. There is Plan Information, Notifications, and even a Count Down to Retirement. Scan the QR Code below to get the app.*



### State Employees' Pension Plan Summary Plan Description

Employees with pension related questions may find answers in the newly updated Summary Plan Description booklet, available on our website at [www.delawarepensions.com](http://www.delawarepensions.com).



## ***Burial Benefit Questions Answered***

Pensioners in the State Employees' Plan, the New and Closed State Police Plans, and the Legislative Plan as well as Active County / Municipal Police and Firefighters should be aware of new federal tax withholding rules effective 01/01/2023. All named beneficiaries with a Social Security Number will be required to have a mandatory minimum federal tax withholding of 20%. They can choose to withhold more, but not less. Beneficiaries with a Tax ID Number (e.g., funeral homes, organizations, charities, etc.) can choose any percentage with no required minimum tax withholding.

### ***Questions Employees Might Have***

**Q:** Why is this benefit taxed? Isn't it life insurance?

**A:** No. The burial benefit is not life insurance. It has no cash value and you have paid no premiums on it. It is an ancillary benefit of your pension and therefore is a taxable benefit when released to your named beneficiary.

**Q:** What happens if I do not have a named beneficiary?

**A:** Paperwork will need to be completed at the Register of Wills office designating a personal representative for your estate. The designated individual will then obtain either a Small Estate Affidavit or a Short Certificate. Once that paperwork is provided to the Office of Pensions, we will then be able to release paperwork for the personal representative to complete so we can make payment to your estate. Your personal representative will then need to ensure they have an estate banking account so the check can be deposited.

**Q:** Is there a \$7,000 burial benefit for my spouse?

**A:** Only individuals receiving a pension at the time of their death, including survivor pensioners, are entitled to a \$7,000 burial benefit.

**Q:** How is the burial benefit paid if both my spouse and I are State of Delaware pensioners?

**A:** If you and your spouse are State of Delaware pensioners, after the first spouse passes, the surviving spouse will then begin to receive a survivor's pension in addition to their service or disability pension. As such, since the surviving spouse is receiving TWO pensions, there will be TWO burial benefits paid out at the time of the surviving spouse's passing.

***Virtual Pre-Retirement Presentation- July 26, 2023 via T&AMS***  
***Click [here](#) for more information***

# Eligible Survivors

## Who is an Eligible Survivor?

A survivor is a person eligible to receive a monthly pension at the time of an active member or pensioner's death. Delaware Code dictates who is considered an eligible survivor in the following order (known as the order of priority):

A survivor may be one of the following:

- Spouse
- Unmarried child or children either under age 18 or between the ages of 18 to 22, and attending school
- Dependent parent who was receiving one-half of his or her support from the employee at the time of the employee's death

The Office of Pensions will look for survivors in this order. If an employee/pensioner wishes to change the order of priority, they may do so by completing the Priority of Eligible Survivors form, located on our website. This form must be signed, notarized and returned to the Office of Pensions.

Anyone who does not fall into one of the categories above is not considered a survivor and should not be listed on the Priority of Eligible Survivors form.

Please contact the Office of Pensions for assistance in completing this form.

## Actuarial Forms - New Hires Only

Please remember to have new hires (in Pension Creditable positions) complete the Actuarial form, located in the Employers Forms section of our website. This form provides pertinent information about the employee and assists our office with processing of retirement benefits.



The [Retirement Process](#) document outlines the steps an employee must take to initiate their retirement. It is available on our website, and we encourage its use!

*We value the input of our End Users and those of you who take the time to read this monthly newsletter. What topics would you like to see covered in our upcoming issues? Do you have any personal experiences or insights to share? Please email us your feedback and suggestions. We look forward to hearing from you!*

