

Your Monthly Retirement Benefit and Taxes



Your monthly retirement benefit is subject to federal and state income taxes. Since tax laws are complex and constantly changing, be sure to check with an accountant or tax advisor about your tax liability.

When you retire, you determine what your federal and state tax withholdings will be. It's good practice to review your withholdings once a year, and you can change your withholdings online through [Member Access](#). Please note that South Carolina is the only state for which PEBA can withhold income taxes.

Determine your tax deductions

If you're a South Carolina resident, you may be eligible for certain state tax deductions as a retiree. To learn more, talk to a tax professional. You can get South Carolina income tax information from the S.C. Department of Revenue at dor.sc.gov or 844.898.8542. Visit the IRS website, www.irs.gov, for information about federal tax withholding.

Set your withholdings

There are three ways to set or change your tax withholdings for your retirement benefit:

- [Member Access](#);
- *Withholding Certificate for Monthly Benefit Payments* for state withholdings ([Form 7202](#));
or
- *Withholding Certificate for Pension or Annuity Payments* for federal withholdings ([Form W-4P](#)).

Your withholdings will default to single with no exemptions if you do not set them.

1099-R forms

PEBA mails 1099-R forms to benefit recipients by the last business day of each January. You can also view and print your 1099-R by logging in to [Member Access](#).

Learn more

PEBA cannot give tax advice, but we can help set your tax withholdings or get your 1099-R. Call PEBA's Customer Service at 803.737.6800 or 888.260.9430.

