



Leaving before retirement eligibility

Retirement Orientation and Education
Fiscal year 2025

Serving those who serve South Carolina

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Intended audience

This presentation is focused on the eligibility requirements and plan provisions for Class Three members. Class Three members are those whose earned service began on or after July 1, 2012.

Class Two members, those whose earned service began before July 1, 2012, are encouraged to review the summary flyers for Class Two on our [Navigating Your Benefits](#) webpage and retirement publications at peba.sc.gov/publications for more information.

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Requesting a refund from your SCRS, PORS account

- Forfeit rights to any future service or disability retirement benefit.
- Can generally roll over funds into eligible retirement plan.
- If you do not roll over refund, taxable portion may be:
 - Subject to taxes; and
 - Subject to additional tax penalty if younger than age 59½.
- Consult with tax professional for more information.
- Must terminate employment from all covered employers and correlated systems.
- Minimum 90-day waiting period from termination date before refund issued.
- Employer contributions are not refunded.
- Returning to covered employment before refund payment cancels refund application.
- Request a refund by completing a notarized [Refund Request](#) (Form 4101).

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Leavings funds in your SCRS, PORS account

- Account earns 4% interest annually until account becomes inactive.
- Account becomes inactive as of July 1 when:
 - No contributions made in preceding fiscal year; and
 - No other active, correlated system or State ORP account exists.
- Can request refund later.
- If leaving employment with enough earned service, can apply for retirement benefit once age requirement is met.
- If returning to covered employment later, can resume making contributions and earning service credit.
- May leave funds in your account until required by IRS rules to take a distribution.

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Leaving funds in your State ORP account

- Can leave your funds in your State ORP account until choosing to take withdrawals.
 - If younger than age 59½, must separate from all covered employment before taking a withdrawal.
- May leave funds in your account until required by IRS rules to take a distribution.
- Your account balance may:
 - Increase from investment earnings; or
 - Decline from investment losses and administrative fees.
- Can generally roll over funds into eligible retirement savings account.

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