



## Frequently Asked Questions

### What affect does changes to federal and state tax have?

Legislation changes can affect tax withholding amounts. These changes in federal and state tax withholdings could mean you receive a smaller refund next year, or in some situations, not have sufficient amounts withheld, causing additional tax to be paid at the end of the year. **You should take steps to determine whether the federal and state withholding amounts are appropriate for you.** A wide variety of factors can affect your withholding. Review your current and year-to-date withholding amounts and discuss with your tax preparer whether the amounts are appropriate for your personal situation.

If you would like to change your federal or Arizona State tax withholding elections, please complete the appropriate form(s) and mail to COPERS, or log into eCHRIS and electronically update your tax withholding preferences. Forms to adjust federal or state tax withholdings are available on the Forms page of our website or they can be requested by calling or visiting our office.

### When are pension payments made?

Pension payments are made once a month. Though we make every effort to ensure your check is received, it may be advantageous for you to sign up for direct deposit. This will prevent a delay in receiving your pension benefit due to USPS mail.

### What is the Pension Equalization Program (PEP)?

The PEP provides for a permanent pension increase. Eligible retirees and survivors must have received 36 pension payments as of January 1<sup>st</sup> of the year being considered.

The increase is paid in the April 1<sup>st</sup> pension check, and retroactive to January 1<sup>st</sup> of the adjustment year. The PEP is not a cost-of-living adjustment (COLA); it is subject to the Plan's investment performance in excess of 7.5%. The increase is not to exceed the Department of Labor Consumer Price Index (CPI).

### How can retirees make changes or updates?

If you need to make changes to your retirement information, please visit the Forms page of our website to assist you in changing or updating any of the following:

- Contact Information (address, phone number, etc.)
- Designation of Beneficiary
- Tax Withholding
- Direct Deposit

Tax withholding and direct deposit changes can also be made using eCHRIS. **Please note:** Changes made after the 15<sup>th</sup> of the month may not take effect until after the 1<sup>st</sup> of the following month.