

Understanding your 1099R Form

- **Our EIN (“Payer’s federal identification number”):** This is the Massachusetts State Retirement Board federal Employer Identification Number (EIN).
- **Box 1, Gross distribution:** This shows the total distribution amount that you received from the Massachusetts State Retirement Board for the calendar year 2013.
- **Box 2a, Taxable amount:** This shows the distribution amount that is taxable. Money that was deducted from your check for employee contributions to the pension plan are pre-tax and therefore, taxable when paid. Some money may have been deducted after tax, especially if you bought back time. These amounts are recovered and will not be taxable and will be deducted over an extended period from when you start receiving your pension. These amounts are the difference between your gross and taxable.
- **Box 4, Federal income tax withheld:** This shows the total amount of federal income tax withheld for calendar year 2013.
- **Box 7, Distribution code:** This IRS code identifies the type of distribution you received from the Massachusetts State Retirement Board. The codes are also described on the back of your 1099-R Form.
- **Code 1:** Premature distribution subject to excise tax penalty. (generally a lump sum distribution)
- **Code 2:** Applies to certain distributions including regular retirement benefits that are eligible for the exception to the premature distribution tax. **Code 2** is indicated for benefit recipients **under the age of 59 ½** for a reported year.
- **Code 3:** Disability as defined by Federal Code. This is not the same as Massachusetts State disability, therefore, will not appear on the 1099R Form. IRS Code, 72(m)7.
- **Code 4:** Identifies payments received for a survivor, beneficiary or estate of a deceased member or retiree.
- **Code 7:** Identifies payments for regular pension distributions for benefit recipients **over the age of 59 ½** for reported year.
- **Code G:** Identifies as a total distribution that was directly rolled over to a financial institution.

Does the Massachusetts State Retirement Board give tax advice?

No. You should seek advice from a professional tax advisor or the [Internal Revenue Service](#).