

Understanding your IRS Form 1099-R

Every January, PERS mails Internal Revenue Service (IRS) Form 1099-R to each retiree who received benefits the previous calendar year. To help retirees gain a better understanding of IRS Form 1099-R, important sections of the 2023 version of this form have been highlighted and explained in the sample form below. **Beginning this year**, PERS will send two 1099-R forms to recipients the year they reach 59.5. In Box 7, benefits received and taxes withheld prior to age 59.5 will be distribution code “2” and those after age 59.5 will be distribution code “7”.

IRS Form 1099-R provides information on benefits paid and amounts withheld for federal income tax.

A copy of the form should be included with federal income tax filings if any federal tax is withheld. PERS will report the same information to the IRS for each retiree who is sent a form.

The state of Mississippi does not tax retirement income; however, other states may tax retirement income. Retirees living in states where this income is taxed should file the appropriate 1099-R copy with state income tax returns.

Gross distribution **1**

This is the total amount paid by PERS during 2023, including the Cost-of-Living-Adjustment (COLA) check, if applicable.

Taxable amount **2a**

This is the portion of the gross distribution amount considered taxable income and will always be equal to or less than the amount shown in Box 1.

Federal income tax withheld **4**

This is the total federal withholding for the year, including any amount withheld from COLA benefits.

Employee contributions/Designated Roth contributions or insurance premiums **5**

For PERS retirees, Box 5 does not relate to Roth contributions or insurance premiums. The amount printed is the difference in Box 1 and Box 2a and represents the after-tax contributions (pre-July 1, 1982) recovered tax free during the applicable calendar year and is not subject to tax.

Payer's Federal Identification Number **Payer's ID**

The number specific to each retirement plan PERS administers. The complete nine-digit number for each plan is listed below and should be used when filing taxes.

PERS 64-6001557

MRS 64-0746030

MHSPRS 64-6176426

SLRP 64-6190947

Account Number **Acct No.**

To help you prepare your taxes, this box provides the amount withheld for payment of group health insurance premiums (HLTH). This information is not provided to the IRS. When itemizing deductions, use this figure for Schedule A (not the figure in Box 5).

Form 1099-R		CORRECTED (if checked)		OMB No. 1545-0119	2023
1 Gross distribution \$	1	2a Taxable amount \$	2a	Distributions From Pensions, Annuities, Retirement, or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	
2b Taxable amount not determined		Total distribution			
PAYER'S name, street address, city, state, and ZIP code					
PERS OF MISSISSIPPI 429 MISSISSIPPI STREET JACKSON, MS 39201					
PAYER'S federal identification number			RECIPIENT'S identification number		
Payer's ID					
3 Capital gain (included in box 2a)	4 Federal income tax withheld \$	5 Employee contributions /Designated Roth contributions or insurance premiums \$		5	
6 Net unrealized appreciation in employer's securities \$	7 Distribution code(s) 7	IRA/ SEP/ SIMPLE	8 Other	%	
9a Your percentage of total distribution %	9b Total employee contributions \$				
RECIPIENT'S name, street address (incl. apt. no.), city, state, and ZIP code					
Account number (see instruc.) Acct No.		10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.		
12 State tax withheld \$	13 State/Payer's state no.	14 State distribution \$		17 Local distribution \$	
15 Local tax withheld \$	16 Name of locality		17 Local distribution \$		
Copy 2 File this copy with your state, city, or local income tax return, when required.					
Form 1099-R		Department of the Treasury – Internal Revenue Service			

7 Distribution code(s)

Applicable codes identifying the type of benefit paid for PERS retirees are as follows:

Code Type of Benefit Paid

- 2 Early distribution not subject to 10 percent penalty
- 3 Disability retirement benefits paid to a retiree who has not met normal retirement age for the applicable plan
- 4 Death
- 7 Normal distribution for a retiree 59.5 or older at the end of 2023