



## Legislative Update

### 2007 Retirement Plan News

### **New Tax Break For “Retired” Public Safety Officers**

“Retired” Public Safety Officers (e.g., Law Enforcement Officers) may now withdraw \$3,000 each year in taxable funds from their 401(a) or 457 retirement plan(s) “tax-free” when these funds are sent directly to their insurance company to pay for qualified health insurance premiums (e.g., accident or health insurance, long-term care coverage).

Essentially, if you have worked in a peace officer capacity, have attained a Normal Retirement Age (age 55 at CCOERA) or are disabled, and have separated from service, you may request \$3,000 per year to be distributed directly to your insurance company to pay for your health insurance or long-term care insurance premiums. This distribution will be “tax-free” if sent directly to your insurance company from your retirement account.

Please save this information for future reference or pass it on to anyone in your department who would benefit from this new and important tax break. To take advantage of this new “tax-free” retirement account distribution, you will need to contact your existing 401(a) or 457 retirement plan provider and ask for their particular requirements or forms to process your request.

#### For More Information

Contact: CCOERA, The Retirement Association  
Toll Free (800) 352-0313, enter 2, press 0 and then  
ask for a CCOERA Client Services Representative.