



CT TEACHERS' RETIREMENT BOARD

765 ASYLUM AVENUE 2ND FLOOR HARTFORD, CT 06105-2822
Toll Free 1-800-504-1102 Local (860) 241-8400 Fax (860) 241-9295
"An Affirmative Action/Equal Opportunity Employer"
www.ct.gov/trb

**PRIOR CONNECTICUT TEACHING SERVICE
BUY BACK REQUEST FORM**

Not to be used for any other type of service other than CT Teaching Service Withdrawn/Refunded

(PLEASE PRINT OR TYPE)

Member Information:

Member Name _____
Street Address _____
City, State, Zip _____
Social Security # _____
TRB Account # _____
Current Employer _____
Personal E-Mail _____

Prior Connecticut Teaching Service Withdrawn Information:

To the best of your knowledge, list the School District(s) where you previously taught, the dates of service and total amount of service credit withdrawn.

School District(s) _____
Dates of Service _____
Service Credit _____

Member Statement:

I am requesting an invoice for the re-purchase of my Prior Connecticut Teaching Service that I withdrew in the past. I understand that the purchase of this service is voluntary and that in approximately two to three months, I will receive written notification from CTRB advising me of the cost of this credit and payment options.

Signature

Date

PLEASE MAIL THIS COMPLETED FORM DIRECTLY TO CTRB AT THE ADDRESS SHOWN ABOVE.

AI_PRIORCT_190920

AI_PRIORCT_191007



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PRIOR CONNECTICUT TEACHING SERVICE BULLETIN

WHAT IS PRIOR CONNECTICUT TEACHING SERVICE?

Prior Connecticut teaching service is service which was previously credited to your account but was cancelled as a result of the termination of service and a refund of the account balances.

CAN I BUY BACK MY PRIOR CONNECTICUT TEACHING SERVICE NOW AND RECEIVE CREDIT?

Yes. Prior Connecticut teaching service may be purchased at any time after you have returned to work as an active member of the Connecticut Teachers' Retirement Board.

HOW DO I APPLY FOR THIS SERVICE?

Contact this office in writing for an invoice for your Prior Connecticut Service. Be sure to include your name, social security number, membership number, current employer, mailing address and the town(s) where you previously taught with the dates of service.

HOW IS THE COST OF PURCHASING THIS SERVICE DETERMINED?

You will be required to pay back the amount you withdrew with credited interest from the date your account was last credited with interest to the date of repayment. The credited interest rate is the rate of interest that is posted to a member's account each June 30th and reflects what your account would have earned had it remained on deposit with CTRB. The rate varies from year to year and is based on the investment results of the Retirement Fund.

HOW WILL I BE NOTIFIED OF THE COST?

You will receive written notification by email or regular mail from our office advising you of the amount of credit to be purchased and your payment options. Due to the volume of requests, please allow approximately two to three months for processing.

WHAT ARE THE PAYMENT OPTIONS?

You will be given the choice of a lump sum payment or to make payment through monthly payroll deductions set up on an after tax basis from your salary (Service Purchase Contract).

CAN A TAX SHELTERED ANNUITY OR IRA BE USED TO MAKE A LUMP SUM PAYMENT?

In accordance with the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001, effective January 1, 2002, CTRB will accept a direct rollover of funds from the following sources:

- Another Qualified Employer Plan I.R.C. 401(a)
- Profit Sharing Plan I.R.C. 401(k)
- 403(b) Annuity or 403(b) Custodial Account
- non-Roth Individual Retirement Account (IRA) I.R.C. 408
- Deferred Compensation I.R.C. 457

WHAT ARE THE MINIMUM AND MAXIMUM TIME PERIODS ALLOWED FOR SERVICE PURCHASE CONTRACTS?

Service Purchase Contracts can be for two years, five years, seven years, and 10 school years. The minimum time period is two years and the maximum is ten years.

WHAT RATE OF INTEREST IS USED TO DETERMINE THE SERVICE PURCHASE CONTRACT AMOUNT?

The rate of interest is based on the credited interest rate determined by the Board for June 30th of each year. Service Purchase Contracts commencing during the 2018-2019 school year will be based on the credited interest rate for June 30, 2019 which was 4.00%.

DOES THE RATE OF INTEREST ON MY SERVICE PURCHASE CONTRACT CHANGE EACH YEAR?

No. The rate of interest remains fixed for the duration of the Service Purchase Contract.

HOW ARE THESE DEDUCTIONS TREATED FOR TAX PURPOSES?

Service Purchase Contract payments are treated as “**after-tax**” contributions and therefore do not reduce your salary for federal or state tax purposes.

CAN THE BALANCE BE PAID OFF AT ANY TIME WITHOUT PENALTY?

Yes. Simply notify our office in writing that you wish to pay off the balance due. We will need to be advised of the date that you wish to make the final payment. These requests are usually processed within one month.

WHEN DOES THE CREDIT FOR THE PURCHASED SERVICE APPEAR ON THE ACCOUNT?

Credit is not posted to your account until the Service Purchase Contract is **completed**. If contract is completed in 2018-19, the credit will appear in the 2018-19 Member Annual Statement under "Purchased CT Service".

WHEN WILL MY SERVICE PURCHASE CONTRACT PAYMENTS GET POSTED?

Every year, your Member Annual Statement will reflect the payments that you have made on your Service Purchase Contract. These payments will be included in your "Taxed Contributions Regular" and, if applicable, your "Taxed Contributions Supplemental" account(s).

IF I FAIL TO COMPLETE THE PURCHASE, WHAT WILL HAPPEN TO THE MONEY PAID IN?

If you fail to make a monthly installment payment, your Service Purchase Contract will terminate. You will be given credit for the amount of time purchased, and you may request a bill for the remaining time.

CAN MULTIPLE WITHDRAWALS BE RE-PURCHASED?

Yes. If you had multiple refunds covering different periods of service, you may choose to buy any or all of the periods of service which were separately refunded. For example, if you taught from 1977-1979 and withdrew in 1980 and then taught from 1983-1986 and withdrew in 1988, you may purchase either or both of these periods since each one was the subject of a separate refund.

WHAT IS THE IMPACT OF BUYING BACK PRIOR SERVICE?

The number of years of credited service is a determining factor not only for your eligibility for benefits but the amount of retirement income you will receive when you retire.

DO I HAVE TO BUY BACK ALL OF MY WITHDRAWN SERVICE AT ONCE?

No. If you have an amount of available funds to use to buy back service, you should let us know what the dollar amount is and we will process a bill for up to that amount. Or, you can just specifically state the portion of years you wish to purchase, 1; 3; 4; all. You always purchase the oldest years first.



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COMPOUND INTEREST FACTORS FOR LUMP SUM PAYMENTS JULY 1, 2019 TO JUNE 30, 2020

The table below is being provided for your estimating purposes. Actual compound interest factors are prorated by month. If you wish to purchase your Prior CT Teaching Service, you should contact this office in writing for a formal invoice. To estimate the cost of your Prior CT Teaching Service, multiply the amount withdrawn by the compound interest factor for the following interest posting year.

Interest Posting Date	Interest Rate Percent	School Year	Compound Interest Factor	Interest Posting Date	Interest Rate Percent	School Year	Compound Interest Factor
June 30, 2019	4.00	2017 - 2018	1.0400	June 30, 1993	8.31	1991 - 1992	8.6658
June 30, 2018	6.00	2016 - 2017	1.1024	June 30, 1992	8.19	1990 - 1991	9.3755
June 30, 2017	5.10	2015 - 2016	1.1586	June 30, 1991	7.91	1989 - 1990	10.1171
June 30, 2016	5.00	2014 - 2015	1.2166	June 30, 1990	8.51	1988 - 1989	10.9781
June 30, 2015	6.70	2013 - 2014	1.2981	June 30, 1989	8.62	1987 - 1988	11.9244
June 30, 2014	6.80	2012 - 2013	1.3863	June 30, 1988	8.67	1986 - 1987	12.9582
June 30, 2013	7.20	2011 - 2012	1.4861	June 30, 1987	9.01	1985 - 1986	14.1258
June 30, 2012	5.30	2010 - 2011	1.5649	June 30, 1986	7.78	1984 - 1985	15.2248
June 30, 2011	5.20	2009 - 2010	1.6463	June 30, 1985	9.94	1983 - 1984	16.7381
June 30, 2010	4.50	2008 - 2009	1.7204	June 30, 1984	9.75	1982 - 1983	18.3701
June 30, 2009	3.70	2007 - 2008	1.7840	June 30, 1983	7.35	1981 - 1982	19.7203
June 30, 2008	7.70	2006 - 2007	1.9214	June 30, 1982	8.00	1980 - 1981	21.2979
June 30, 2007	10.10	2005 - 2006	2.1155	June 30, 1981	6.50	1979 - 1980	22.6823
June 30, 2006	9.80	2004 - 2005	2.3228	June 30, 1980	5.50	1978 - 1979	23.9298
June 30, 2005	10.90	2003 - 2004	2.5760	June 30, 1979	2.625	1977 - 1978	24.5579
June 30, 2004	10.80	2002 - 2003	2.8542	Dec 31, 1978	5.25	1976 - 1977	25.8472
June 30, 2003	9.70	2001 - 2002	3.1310	Dec 31, 1977	5.25	1975 - 1976	27.2042
June 30, 2002	12.00	2000 - 2001	3.5067	Dec 31, 1976	5.25	1974 - 1975	28.6324
June 30, 2001	13.80	1999 - 2000	3.9907	Dec 31, 1975	5.25	1973 - 1974	30.1356
June 30, 2000	14.20	1998 - 1999	4.5573	Dec 31, 1974	5.25	1972 - 1973	31.7177
June 30, 1999	13.50	1997 - 1998	5.1726	Dec 31, 1973	5.25	1971 - 1972	33.3829
June 30, 1998	13.30	1996 - 1997	5.8605	Dec 31, 1972	5.25	1970 - 1971	35.1355
June 30, 1997	10.50	1995 - 1996	6.4759	Dec 31, 1971	5.25	1969 - 1970	36.9802
June 30, 1996	8.64	1994 - 1995	7.0354	Dec 31, 1970	5.25	1968 - 1969	38.9216
June 30, 1995	5.76	1993 - 1994	7.4406	Dec 31, 1969	5.00	1967 - 1968	40.8677
June 30, 1994	7.53	1992 - 1993	8.0009	Dec 31, 1968	5.00	1966 - 1967	42.9111

EXAMPLE:

Marion last taught in the 1978-79 school year and withdrew her account balances of \$10,000 on June 30, 1981. The cost of her Prior CT Service is determined based on the amount withdrawn plus the interest that would have accrued had the account not been withdrawn. Estimated cost: \$10,000 X 22.6823 = \$226,823. The compound interest factor (22.6823) is the rate of interest that would have been credited from June 30, 1982 to June 30, 2019.