

## **“GOVERNMENT PENSION OFFSET” (GPO)**

This applies to individuals who apply for Social Security on a living or deceased Social Security wage earner. This means spouses, divorced spouses, widows, widowers, and surviving divorced spouses who qualify based on Social Security’s definition. The spousal benefit will be offset by an amount equal to 2/3 of the monthly public pension.

### **DEFINITIONS:**

#### **“Spouse”**

See Social Security link

#### **“Date first eligible”**

The date an individual first meets all requirements for payment, except stopping work and applying for the benefits. Eligibility is determined by the Retirement Board. Employment vesting does not in itself constitute pension eligibility.

#### **“Offset”**

Offset is the reduction of Social Security spousal benefits due to the receipt of the public pension.

#### **“Pension”**

Any periodic or lump sum payment received from a defined benefit or defined contribution plan. Lump sum payments are prorated and subject to GPO. Payments from 457 plans from public employers not paying into Social Security are subject to GPO if the plan is the primary retirement plan.

#### **“Monthly pension amount”**

The pension amount used for the GPO includes the gross monthly amount payable before any reduction for health insurance, allotments, assignment of pension, etc.

#### **“Withdrawals”**

Withdrawals of a pension plan, before or after eligibility for the pension, of only employee contributions plus any interest (none of the employer contributions are included in the withdrawal) whereby the employee relinquishes all rights of the pension plan will not be subject to the GPO)

### **OTHER:**

- If 2/3 of the public pension is greater than the Social Security spousal benefit, no Social Security is payable.
- If the 2/3 amount is less, a partial Social Security payment is made.
- GPO will not be imposed until the public pension begins.
- At the Social Security “Full Retirement Age,” the earnings limit is eliminated. This means a public employee can begin to receive Social Security spousal benefits and still continue

working, regardless of their earnings. Social Security payments are not subject to GPO while employment continues.

- A change in the monthly pension amount such as periodic cost of living adjustments will affect the pension amount
- Individuals receiving a public pension as a survivor annuitant are NOT subject to GPO. This provision only affects the individual who was employed in the public sector.

#### **SOCIAL SECURITY LINKS FOR GPO**

<b>TOPIC</b>	<b>LINK</b>
Social Security Website	<a href="http://www.socialsecurity.gov">www.socialsecurity.gov</a>
Create a "MySS" account	<a href="http://www.socialsecurity.gov/myaccount">www.socialsecurity.gov/myaccount</a>
GPO calculator	<a href="http://www.socialsecurity.gov/planners/retire/gpo-wep.html">www.socialsecurity.gov/planners/retire/gpo-wep.html</a>
Definition of "spouse"	<a href="http://www.socialsecurity.gov/planners/retire/applying6/.html">www.socialsecurity.gov/planners/retire/applying6/.html</a>
Form to report pension for GPO	<a href="http://www.socialsecurity.gov/forms/ssa-3885.pdf">www.socialsecurity.gov/forms/ssa-3885.pdf</a>