

Special Risk Class - Earlier Pension Retirement

The Florida Retirement System (FRS) recognizes that certain positions, like law enforcement and firefighting, require physically and mentally demanding work that could pose a greater health or safety risk if members were required to work until normal retirement age. Employees in these positions may retire earlier and are paid more for each year of service than regular Pension Plan members.

If Hired Before 7/1/2011, eligible to retire at:

- ❖ Age 55 with at least 6 years of SR service
- ❖ Age 52 with 25 years combined SR and military service
 - ❖ 25 years of SR service, any age

If Hired After 7/1/2011:

- ❖ Age 55 with at least 8 years of SR service
- ❖ 25 years of SR service, any age





FRS Investment Plan – Special Risk Benefit

- **Qualifying Public Service Safety Officer Exemption:**
 - 10% early retirement tax penalties for withdrawals are removed at age 55 instead of 59.5.
 - This special circumstance must be noted in your tax return.
- Any funds not withdrawn must remain in FRS Investment Plan account to retain the public service tax exemption.





Special Risk Benefits – Comparing the Plans

- **FRS Investment Plan:**

- Accounts for Special Risk do not accrue contributions or gains faster than regular accounts. You are simply able to access the funds without tax penalties sooner.

- **FRS Pension Plan:**

- Earlier retirement/DROP eligibility than regular accounts
 - Each year of service for Special Risk is worth almost twice the pension benefit of a regular year of service: 3% vs 1.6%

- **Regular retiree example:**

- Can retire at 65
 - Pension at 30 years of service and \$60,000 salary = $30 \times 60,000 \times 1.6\% = \$28,800$ annually (\$2,400 monthly)

- **Special Risk retiree example:**

- Can retire at 55
 - Pension at same years of service and salary = $30 \times 60,000 \times 3\% = \$54,000$ annually (\$4,500 monthly)