

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- Any funds not withdrawn must remain in FRS Investment Plan account to retain the public service tax exemption.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)