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Applying for a Railroad Retirement Annuity

Railroad employees who are planning to retire should be aware of what steps to take and what documents are required when applying for an annuity from the Railroad Retirement Board (RRB). Being prepared can prevent needless delays and ensure that payments from the RRB begin as soon as possible after retirement. The following questions and answers describe the application process and other related items that retiring employees, as well as their spouses or survivors, should be aware of.

1. How are railroad retirement annuity applications filed?

Applications are filed through the RRB's field offices. Applicants may file in person or by telephone and mail. Those filing in person may do so at any RRB office or at one of the office's customer outreach program service locations. Applicants filing by telephone receive the same information and instructions that are provided to those filing in person; forms requiring signatures and other documents are then handled by mail.

The addresses of all the RRB's field offices are available on the agency's website at www.rrb.gov or by calling the RRB's toll-free number at 1-877-772-5772. This number, which provides access to the agency's field office representatives, also provides automated menus 24 hours a day, 7 days a week. RRB field offices are open to the public from 9:00 a.m. to 3:30 p.m., Monday through Friday, except on Federal holidays.

2. Can an application be filed prior to a person's actual retirement date?

The RRB accepts annuity applications up to 3 months in advance of an annuity beginning date, which allows the RRB to complete the processing of most new claims by a person's retirement date. An employee can be in compensated service while filing a disability application provided that the compensated service is not active service and terminates within 90 days from the date of filing. When an employee files a disability application while still in compensated service, it will be necessary to provide a specific ending date of the compensation. Compensated service includes not only compensation with respect to active service performed by an employee for an employer, but also includes pay for time lost, wage continuation payments, certain employee protection payments and any other payment for which the employee will receive additional creditable service.

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To expedite the filing process, applicants should contact their local RRB field office to schedule time for a pre-retirement consultation and also to confirm their eligibility and be advised as to the required documents. The consultation can be conducted in person, or by telephone, with an RRB representative who will provide an annuity estimate, explain a retiree's benefit rights and responsibilities, and answer related questions.

Railroad employees can also get estimates of their future annuities over the Internet. Employees can access this service, called "Retirement Planner," by visiting www.rrb.gov and clicking on "Benefit Online Services" for directions on establishing an RRB Internet Services account.

3. What are some of the documents required with an application?

- All applicants have to furnish proof of their age.
- All applicants should be prepared to furnish the notice of any social security benefit award or other social security claim determination.
- An employee may be required to submit information regarding any other Federal, State or local government pension for which he or she also qualifies, as well as certain other payments not covered by railroad retirement or social security, such as from a non-profit organization or from a foreign government or a foreign employer.
- An employee or survivor filing for a disability annuity is required to submit supporting medical information from his or her treating physician, as well as any reports or records from recent hospitalizations. He or she may also be asked to go for one or more specialized medical examinations. If an employee disability applicant is receiving workers' compensation or public disability benefits, notice of the amount and beginning date of such payments must be submitted.
- An employee will have to furnish proof of any military service claimed.
- A spouse, divorced spouse or widow(er) applying for a railroad retirement annuity must furnish proof of marriage to the employee. A divorced spouse must furnish proof of a final divorce from the employee, as well as proof that any subsequent marriages have terminated.
- A spouse, divorced spouse or survivor also qualified to receive a public service pension must submit information regarding that pension.
- All applicants have to provide banking information necessary for the Direct Deposit of their benefit payments.

A booklet, "Furnishing Evidence to Support Your Claim" (Form RB-3), gives detailed information as to the types of proofs that are required when filing for an annuity, as well as sources from which these documents can be obtained. The booklet is available free of charge at any RRB office or at www.rrb.gov.

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4. Can proofs be filed in advance of retirement?

Railroad employees are encouraged to file proofs of their correct birth date and their military service well in advance of retirement. The information will be recorded and stored electronically until they actually retire. This will expedite the annuity application process and avoid any delays resulting from inadequate proofs.

If employees do not have an official record of their birth or military service, their local RRB office will explain how to get acceptable evidence. All evidence brought or mailed to an RRB office will be handled carefully and returned promptly.

5. What is the retroactivity of a railroad retirement application?

The retroactivity of a railroad retirement annuity application is limited to 1 year for disability annuities and 6 months for full age annuities. There is generally no retroactivity for reduced age annuities.

Retroactivity of a survivor annuity application is 1 year for disabled widow(er)s and 6 months for full retirement age widow(er)s, mothers (fathers), children and parents. Retroactivity for widow(er)s ages 60-61 is 6 months if it does not increase the age reduction (this does not apply to surviving divorced spouses or remarried widow(er)s). Otherwise, there is generally no retroactivity for reduced age widow(er)s' annuities.

6. Are retiring railroad employees required to relinquish their rights to their railroad jobs?

An employee annuity **based on age** cannot be paid until the employee stops railroad employment **and** gives up any rights to return to work for a railroad employer. While an annuity **based on disability** is not paid until an employee has stopped working for a railroad, employment rights need not be relinquished until the employee attains full retirement age. However, in order for a supplemental annuity to be paid by the RRB, or for an eligible spouse to begin receiving annuity payments, a disabled annuitant under full retirement age must relinquish employment rights. And, regardless of age and/or earnings, no railroad retirement annuity is payable for any month in which a retired or disabled employee annuitant, a spouse annuitant or a survivor annuitant works for an employer covered under the Railroad Retirement Act. Work by a local lodge or division secretary collecting insurance premiums, **regardless of the amount of salary**, is railroad work which must be stopped. However, service for less than \$25 a month to a local lodge will not prevent payment of the annuity for that month.

Railroad retirement annuitants may work in nonrailroad employment, but benefits may be reduced if a beneficiary under full retirement age works after retirement and earnings exceed annual exempt amounts. Additional earnings deductions are assessed if a retired or disabled employee annuitant, or a spouse annuitant, works for his or her last pre-retirement nonrailroad employer, regardless of age or the level of earnings.

Special restrictions also apply to any earnings by disabled employees.

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7. How soon after filing can an applicant expect payment?

Under the RRB's Customer Service Plan, if you filed for a railroad retirement employee or spouse annuity in advance of the beginning date of the annuity, you can expect the RRB to make a decision within 35 days of the beginning date of the annuity. If you did not file in advance, you can expect the RRB to make a decision within 60 days of the date you filed your application. If you filed for an initial survivor annuity, you can expect the RRB to make a decision within 60 days of the beginning date of the annuity or the date the application is filed (whichever is later). If you are already receiving a spouse annuity, you can expect a decision to be made within 30 days of the first notice of the employee's death. If you filed for a lump-sum benefit, you can expect the RRB to make a decision within 60 days of the date the application is filed.

After the RRB has made its decision, you should receive a notice of award or denial within 2 weeks. If entitled to benefits, you can generally expect that the payment will be deposited in your bank account within 1 week of the RRB's decision.

For disability annuities, processing applications is more complex than for other benefits due to the need to develop medical evidence. Under the Customer Service Plan, if you filed for a disability annuity, you can expect the RRB to make a decision within 100 days of the date your application was filed. At the time of filing, the RRB's field office staff will provide you with additional information on processing times for decisions and payments.

Of course, claims for some benefits may take longer to handle than others if they are more complex, or if information from other people or organizations is needed. If this happens, the RRB will provide an explanation and an estimate of the additional time required to make a decision.

8. How are railroad retirement payments made?

Currently, persons applying for railroad retirement benefits are automatically enrolled in the U.S. Treasury's Direct Deposit Program, which electronically transfers Federal payments into individuals' checking or savings accounts. Individuals who determine that Direct Deposit would cause a hardship, and individuals without bank accounts, who apply for railroad retirement benefits before May 1, 2011, may be able to receive their annuities by paper check.

However, a recent initiative by the Department of the Treasury will soon eliminate the vast majority of paper checks for Federal benefit payments. Starting May 1, 2011, new recipients of Federal benefits, including railroad retirement annuitants, will be paid by electronic means. People already on the benefit rolls as of that date who receive paper checks can continue to do so until March 1, 2013.

The most common form of electronic payment for railroad retirement annuities continues to be through Direct Deposit. Annuitants who do not have bank accounts will no longer be paid by paper check. Instead, the initiative will use Treasury's Direct Express debit card to pay these individuals. The amount of the government benefits will be loaded onto the card, which can then be used like an ordinary debit card. Under the Treasury initiative, agencies are still able to grant waivers from electronic payment, but in very limited cases.

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9. How can individuals find more information about filing for railroad retirement annuities?

More information is available by visiting the RRB's website, www.rrb.gov, or by calling an RRB office toll-free at 1-877-772-5772. Persons can find the address of the RRB office servicing their area by calling the agency's toll-free number or at www.rrb.gov.

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