

## Insurance Premiums for Retired Public Safety Officers

The Customs Agent reminds members who qualify as a retired public safety officer under IRS regulations effective in 2007 that up to \$3000.00 can be excluded from income if paid directly from the plan to your insurance provider. Below is the 2012 regulation found on page 6 of IRS publication 575. It became apparent recently that some of our members were not aware of this provision of the tax code.

Also, users of Turbo Tax will find that one of the questions asks if you are a retired public safety officer and, if you answer yes, it will automatically help you with the exclusion. If you use a tax preparer make sure that person is aware of this provision.

### Page 6, IRS publication 575

“If you are an eligible retired public safety officer (officer, firefighter, chaplain, or squad or ambulance crew), you can exclude from income distributions made from a retirement plan that are used for accident or health insurance. The premiums can be for you, your spouse, or dependent. The exclusion must be made directly from the insurance provider. You can exclude up to a maximum of \$3,000. You can only make one election. The amount excluded cannot be used to claim a deduction.”

“An eligible retirement plan is a governmental plan that is:

- a qualified trust,
- a section 403(a) plan,
- a section 403(b) annuity, or
- a section 457(b) plan.

If you make this election, reduce the otherwise taxable amount of your pension or annuity by the amount excluded. The amount shown in box 2a of Form 1099-R does not reflect this exclusion. Report your total distributions on Form 1040, line 16a;

Form 1040A, line 12a; or Form 1040NR, line 17a. Report the taxable amount on Form 1040, line 16b; Form 1040A, line 12b; or Form 1040NR, line 17b. Enter “PSO” next to the appropriate line on which you report the taxable amount.

If you are retired on disability and reporting your disability pension on line 7 of Form 1040 or Form 1040A, or line 8 of Form 1040NR, include only the taxable amount on that line and enter “PSO” and the amount excluded on the dotted line next to the applicable line. ❖

## National Police Week 2013

By Robert Richter

In 1962 President John F. Kennedy Proclaimed May 15<sup>th</sup> National Peace Officers Memorial day and the week in which it falls, National Police


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On May 14 they witnessed the 18<sup>th</sup> Annual Honor Guard Competition, the 19<sup>th</sup> Annual Emerald Soci-



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