

**You've worked hard and feel the time is right to retire.**

*But where do you begin?*

A MERS 457 savings program provides you an invested account of money that you can withdraw from any time after leaving employment. Having a 457 account means you can continue to grow your account after leaving, offering you several choices for managing your money. You can find more information at [mersofmich.com](https://www.mersofmich.com), or through the myMERS app. You can also use the online meeting scheduler to set up some 1-to-1 time with a MERS expert or call our Service Center at 800.767.6377.

### Ask: Can you afford to retire?

This is the first and maybe the most important question you need to answer before deciding to retire. Experts predict that you need about 80% of your working income to maintain your current standard of living in retirement. The MERS website is a great tool to help you prepare for your upcoming retirement. Here, you can find articles, calculators, and checklists to help you plan for retirement and beyond.



*Scan or click to learn more about your path to retirement*

### Choose payment options when you're ready

When you are ready to take money out, you can set up payments through your myMERS account online. There, you can select among periodic payments allowing you to continue taking advantage of growth potential and MERS' low fees. You can also choose a lump sum payment of any amount from your account balance. Remember that you don't have to take money out until you want it. You can leave your funds in your account and continue to leverage growth potential as an investment.

*There can be many other considerations, depending on your individual circumstances. While your MERS plan can be an important part of your retirement savings, you may have other income avenues as well. Whatever the scenario, MERS is here to help you live your best life in retirement!*

### Items to be aware of:

- Cash distributions (payments made to you directly) of pre-tax and employer contributions will be subject to 20% federal tax withholding, plus any applicable state taxes.
- Cash distributions of Roth contributions will be tax-free if requirements for "qualified" distribution are met:
  - A period of 5 years has passed since January 1 of the year you first made a Roth contribution, and you are at least 59½.
  - If the requirements for a qualified distribution are not met, then Roth withdrawals are tax-free, but the earnings portion of the Roth distribution will be taxed.



*Scan or click to log into your myMERS account and review your own details.*

### Did you know MERS offers an IRA?

An IRA allows you to move money from your 457 to a retirement account. You won't pay taxes on potential growth until you make withdrawals — and can still make contributions, even after you retire.



*Scan or click for IRA details*

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