



Thrift Savings Plan BULLETIN

for Service TSP Representatives

Subject: Revision of Form TSP-U-1, Thrift Savings Plan Election Form

Date: July 25, 2002

The Federal Retirement Thrift Investment Board (Board) has revised the [Thrift Savings Plan \(TSP\) Election Form \(TSP-U-1\)](#) to modify the information on the back of the form regarding the dates of the TSP open seasons and the contribution limits.¹ A copy of this revision, dated September 2002, is attached to this bulletin.

Although the information that must be completed on Form TSP-U-1 and the instructions for processing Form TSP-U-1 have not changed, this bulletin supersedes TSP Bulletin 01-U-8, dated September 27, 2001, to inform services of the September 2002 version of this form and to cite updated TSP bulletins.

I. Obtaining Form TSP-U-1

Service members and representatives may obtain Form TSP-U-1 from the uniformed services section of the TSP Web site at www.tsp.gov. (The September 2002 version of the form will be available beginning August 23.) Also, representatives from the services' central distribution points may order this form by using the Thrift Savings Plan Publications Order Form (TSP-U-40). Other service representatives, however, cannot order this form (or other TSP materials) directly from the TSP. Consequently, the services must develop internal procedures for notifying their central distribution points when they need additional supplies of the form (or other TSP materials).

The Board will **not** automatically send services a supply of the September 2002 version of the form.

(continued on next page)

¹ As discussed in TSP Bulletin 02-U-13, dated May 2, 2002, after the close of the May 15 through July 31, 2002, open season, the dates of the open seasons will change to April 15 through June 30 and October 15 through December 31.

Inquiries: Questions concerning this bulletin should be directed to the Federal Retirement Thrift Investment Board at **202-942-1460**.

Chapter: This bulletin may be filed in Chapter 5, Establishing and Maintaining Accounts.

Supersedes: This bulletin supersedes TSP Bulletin 01-U-8, Thrift Savings Plan Election Form, TSP-U-1, dated September 27, 2002.

II. Making contribution elections

A. Members' responsibilities

Members must file TSP contribution elections with their services. Generally, this means members will submit Forms TSP-U-1 to the offices that have been designated by the services to accept such elections. However, members may also make TSP contribution elections electronically if their services have an automated process in place that enables them to do so.

B. Service responsibilities

Services must process contribution elections (either paper or electronic submissions) and address claims from their members regarding erroneous processing. In addition, services must answer questions from their members about making contribution elections.

Services should not refer members to the Board or to the TSP record keeper, the National Finance Center (NFC), to resolve issues relating to contribution elections.

III. Processing Form TSP-U-1

To process TSP contribution elections, services must:

A. Ensure that the election was made properly.

- A contribution election must be expressed as a whole percentage and an election from basic pay cannot exceed the employee contribution limit.²
- To contribute from incentive pay, special pay, or bonus pay, the member must elect to contribute from basic pay.
- If Form TSP-U-1 is used, the member must sign the form. If the election is electronic, an electronic signature must be provided.
- If an election cannot be processed, the member should be notified.

B. Set the effective date of the election.

See TSP Bulletin 01-U-3, dated July 19, 2001, for instructions on setting effective dates of TSP contribution elections.

² See the instructions to Section II on the back of Form TSP-U-1 or TSP Bulletins 01-U-3 and 02-U-13 for information on the employee contribution limits.

- C. Notify the member of the effective date and retain information about the election.

If the election is made on Form TSP-U-1, the member should receive a copy of the form after the service completes Section V, For Service Use Only. The form should then be filed in the member's official personnel or pay folder.

If the election is electronic, the member should receive confirmation of it and its effective date. Services must have the capability to retrieve electronic elections so that TSP information may be provided to another payroll office if a member transfers, or to an appropriate service official if a member files a claim for error correction.

- D. If the member elected to terminate contributions, determine the date the member may resume TSP contributions.

See TSP Bulletin 01-U-3 for instructions on how to determine a new eligibility date.

- E. Enter the paper election into the service's payroll system.

After the election has been entered in the system, it should be reviewed to determine if it was entered correctly. If not, the entry should be corrected.

- F. Determine and report TSP contributions.

Payroll offices must determine the TSP contributions of their members using the contribution elections and the pay earned for the pay period and report these contributions to NFC each pay period. To report TSP contributions, payroll offices must submit payment records, as described in TSP Bulletin 01-U-5, dated August 29, 2001.



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Deputy Director
Office of External Affairs

Attachment: Thrift Savings Plan Election Form (TSP-U-1), 9/2002



THRIFT SAVINGS PLAN ELECTION FORM

TSP-U-1

Use this form to start your contributions to the Thrift Savings Plan (TSP), to change the amount of your contributions, or to stop your contributions.

Before completing this form, please read the *Summary of the Thrift Savings Plan for the Uniformed Services* and the instructions on the back of this form. Type or print all information. **Return the completed form to the office of your service that is responsible for enrolling members in the TSP (see instructions).** Your service will return a copy to you after completing Section V.

Note: To allocate your contributions among the five investment funds, see the instructions in the General Information section on the back of this form. This form cannot be used for that purpose.

I. INFORMATION ABOUT YOU

1. _____
Name (Last) (First) (Middle)

2. _____
Mailing Address (may be APO or FPO) City State Zip Code

3. _____ - _____ - _____
Social Security Number

4. (_____) _____
Telephone (Area Code and Number)

5. ____/____/____
Date of Birth (mm/dd/yyyy)

6. _____
Office Identification (Service and Organization)

II. START OR CHANGE YOUR CONTRIBUTIONS

(Use whole percentages only.)

To start or change the amount of your contributions, enter in Item 7 the percentage of your basic pay per pay period that you want to contribute.

7. _____ .0% **Basic Pay**

8. _____ .0% **Incentive Pay**

9. _____ .0% **Special Pay (except bonus pay)**

10. _____ .0% **Bonus Pay**

If you contribute from basic pay, you may also elect to contribute from incentive pay and special pay, including bonus pay, by completing Items 8 – 10. If you elect to contribute from any of these types of pay, your election will take effect whenever you become entitled to this pay.

III. STOP YOUR CONTRIBUTIONS

To stop all contributions to the TSP, check Item 11 and complete Section IV. If you want to stop only your contribution from incentive pay, special pay (except bonus pay), or bonus pay, check Items 12, 13, or 14, as appropriate and complete Section IV. Your contributions will stop no later than the first full pay period after your service receives this form.

11. Stop my contributions from **basic pay**. I understand that checking this box will also cause my contributions from all other types of pay to stop.

12. Stop my contributions from **incentive pay**.

13. Stop my contributions from **special pay (except bonus pay)**.

14. Stop my contributions from **bonus pay**.

IV. SIGNATURE

15. _____
Service Member's Signature

16. ____/____/____
Date Signed (mm/dd/yyyy)

V. FOR SERVICE USE ONLY

17. _____
Payroll Office Number

18. ____/____/____
Effective Date (mm/dd/yyyy)

19. ____/____/____
Date member will become eligible to resume contributions (mm/dd/yyyy) (if member completed Section III).

20. _____
Signature of Service Official

21. ____/____/____
Receipt Date (mm/dd/yyyy)

PRIVACY ACT NOTICE. We are authorized to request this information under 5 U.S.C. chapter 84. Executive Order 9397 authorizes us to ask for your Social Security number, which will be used to identify your account. We will use the information you provide on this form to process your election. This information may be shared with other Federal agencies or the uniformed services for statistical, auditing, or archiving purposes. In addition, we may share the information with law enforcement agencies

investigating a violation of civil, criminal, or military law, or agencies implementing a statute, rule, or order. It may be shared with congressional offices, private sector audit firms, spouses, former spouses, and beneficiaries, and their attorneys. We may also disclose relevant portions of the information to appropriate parties engaged in litigation. You are not required by law to provide this information, but if you do not provide it, we will not be able to process your election.

INFORMATION AND INSTRUCTIONS

GENERAL INFORMATION

To start or change your contributions, submit this form within 60 days of the date you join the uniformed services or during a TSP open season (April 15 – June 30 or October 15 – December 31). If you are a member of the Ready Reserve and are called to active duty, or if you are a member leaving active duty and entering the Ready Reserve, you may also make a contribution election within 60 days of your change in status. (**Special rule for bonus pay only:** If you are already contributing from basic pay, you may elect to contribute from bonus pay at any time.)

To stop your contributions, submit this form at any time. (See Section III.)

Your TSP election will stay in effect until you submit another election or until you separate from service. Consequently, if you elect to contribute from bonus pay, your election will cover future installments or any other bonus pay to which you become entitled until you specify otherwise.

Basic pay for active duty is defined in 37 U.S.C. section 204; pay for Ready Reserves (e.g., inactive duty for training (IDT) pay) is defined in 37 U.S.C. section 206. **Incentive pay** (e.g., flight pay, submarine pay, hazardous duty pay), **special pay** (e.g., medical and dental officer pay, hardship duty pay, career sea pay), and **bonus pay** (e.g., enlistment and reenlistment bonuses), are defined in 37 U.S.C. chapter 5. (Although bonus pay is a form of special pay, it is treated separately from special pay for TSP purposes.)

To allocate your contributions among the five investment funds, use the TSP Web site (www.tsp.gov), the ThriftLine ((504) 255-8777), or Form TSP-U-50, Investment Allocation. If you use the Web site or ThriftLine, you will need your Social Security number and your TSP Personal Identification Number (PIN). If you are a new participant, you will receive your PIN by mail after your account has been established. If you choose to submit Form TSP-U-50, do not do so until you receive a letter from the TSP record keeper confirming that your new account has been established. Your contributions will be invested in the Government Securities Investment (G) Fund until you specify otherwise. Read the Plan Summary to learn about the other TSP funds.

If you change your address, notify your service's office that is responsible for your TSP enrollment so that your service can correct your records for your TSP account.

SECTION I

Complete all items in this section. In Item 4, provide your daytime telephone number.

SECTION II

Complete this section to start or change the amount of your contributions.

Item 7. Percentage of Basic Pay per Pay Period. You may contribute up to the limits specified below (but you may not exceed the Internal Revenue Code (IRC) annual limits).

For pay period beginning:	The maximum contribution allowed from basic pay is:	IRC Limit
Before December 2001	7%	2002 \$11,000
December 2002	8%	2003 \$12,000
December 2003	9%	2004 \$13,000
December 2004	10%	2005 \$14,000
December 2005 and thereafter	TSP contribution limits eliminated	2006 \$15,000

Items 8, 9, 10. Percentage of Incentive Pay, Special Pay, or Bonus Pay per Pay Period. If you elect to contribute from basic pay, you may also elect to contribute from 1% to 100% of any incentive pay and special pay, including bonus pay, that you receive (but your total contributions for the year cannot exceed the IRC limits). If you are not now receiving incentive pay or special pay, including bonus pay, your election will take effect whenever you become entitled to this pay.

Internal Revenue Code section 402(g) and section 415(c) may limit your annual contributions. See the Plan Summary for more information about these statutory limitations.

SECTION III

Complete this section to stop your contributions. If you stop your contributions from basic pay (Item 11), your service will automatically stop your contributions from incentive pay and special pay, including bonus pay. However, you may stop contributing from incentive pay, special pay (except bonus pay), or bonus pay and still continue your contributions from basic pay.

If you stop contributions during a TSP open season, you may resume them in the next open season. If you stop your contributions outside an open season, you must wait until the second open season following the termination to resume your contributions. If you stop contributions from bonus pay, you may elect to reinstate the bonus pay election at any time.

SECTION IV

You must complete this section.

SECTION V

(To be completed by service official)

In **Item 18**, enter the effective date of the election. If a participant chooses to stop contributing to the TSP (Section III), complete **Item 19**, entering the date on which the member may resume contributing. In **Item 21**, enter the date that a **properly completed** form is received by the office responsible for TSP enrollment.