



Court Orders and Powers of Attorney

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Introduction

This booklet explains how a TSP account can be divided in an action for divorce, annulment, or legal separation, or garnished to satisfy a participant's past-due alimony or child support obligations.

In addition to providing information about certain legal processes, this booklet further identifies what the TSP must find in documents that grant a power of attorney (POA)—or in a guardianship or conservatorship order—that empowers someone other than a TSP participant to transact business with the TSP.

The TSP must also honor all qualifying federal tax levies as well as qualifying criminal restitution orders pursuant to the Mandatory Victims Restitution Act (MVRA). For detailed information on these two actions, see the TSP booklet *Tax Rules about TSP Payments*.

You can find points of contact at the end of this booklet.

Understanding the TSP

The Thrift Savings Plan (TSP) is a retirement savings and investment plan for federal civilian employees and uniformed services members, including the Ready Reserve. It is a defined contribution plan that offers the same types of savings and tax benefits that many private corporations offer their employees under 401(k) plans.

For most civilian federal employees hired after 1983, the TSP is one part of a three-part retirement system that also includes Social Security and the Federal Employees' Retirement System (FERS) basic annuity.

For civilian employees hired before 1984 who did not switch to FERS, or for uniformed services members, including BRS participants, the TSP supplements the Civil Service Retirement System (CSRS) annuity or the military retired pay.

The FERS and CSRS annuity programs are administered by the Office of Personnel Management (OPM). Court orders related to these benefits should be directed to OPM.

The TSP maintains separate accounts for civilians, uniformed services members, and beneficiary participants. Therefore, if a participant has more than one type of TSP account, court orders and legal processes must identify each account separately, even if more than one account is addressed in a single court order or legal process. The terms “civilian,” “uniformed services member,” and/or “beneficiary participant” must be used to identify the appropriate account. If a participant has multiple beneficiary participant accounts, the court order or legal process must specify the last 4 digits of the deceased participant’s Social Security number (SSN). Pages 17 and 18 explain the special rules that apply to uniformed services accounts and beneficiary participant accounts.

Certain TSP account information is available to spouses. Spouses and former spouses and their attorneys are entitled to the following information with a written request under the Privacy Act:

- the participant’s (or beneficiary participant’s) account balance;
- the participant’s outstanding loan balance, if any; and
- annual or quarterly statements.

The TSP cannot require a subpoena to release information where it is not otherwise required by the Privacy Act.

However, the TSP will not provide personal information, such as the participant’s address, date of birth, or SSN.

Requests for account information must be in writing and directed to the Court Order Center on tsp.gov. Learn how to submit documentation on the “Contact the TSP” page at the end of this booklet. Requests should

- provide the participant’s name and the last four digits of the SSN;
- identify the individual requesting the information and describe his or her relationship to the participant;
- describe the information needed; and
- state the purpose for which the information is being requested.

Dividing a TSP Account in an Action for Divorce, Annulment, or Legal Separation

A TSP account can be divided by means of

- a court decree of divorce, annulment, or legal separation; or
- a court order or court-approved property settlement agreement resulting from such a decree.

A court order may be issued at any stage of a divorce, annulment, or legal separation proceeding. The TSP calls such a document a “retirement benefits court order” or “court order.”

To be honored by the TSP, a court order must meet the requirements found in 5 United States Code (U.S.C.) §§ 8435(c) and 8467, and 5 Code of Federal Regulations (C.F.R.) part 1653, subpart A.

Note: The **participant** is the federal civilian employee, uniformed services member, or beneficiary participant who owns the TSP account that is subject to division. The **payee** is the individual or organization who is the intended recipient of the court-ordered disbursement.

The TSP will only review a complete copy of a court order. To be complete, a court order must contain all pages and attachments. It also must provide (or be accompanied by a document that provides)

- the last four digits of the participant’s Social Security number (SSN);
- the name and mailing address of each payee;
- the SSN of the payee; and
- if the court order is written in a language other than English, a certified English language translation of the entire court order.

The rules for Qualified Domestic Relations Orders (QDROs) that apply to private sector retirement plans do not apply to the TSP. The TSP is not covered by the Employee Retirement Income Security Act of 1974 (ERISA), which governs private sector plans. The TSP will evaluate such an order under its own laws and regulations.

General Requirements for a Qualifying Retirement Benefits Court Order

A qualifying retirement benefits court order (RBCO) must meet the following requirements or the court order will be denied:

- be a court order, judgment, or decree certified and signed by a judge or other state-approved court official.
- relate to the alimony payments or marital property rights of a spouse or former spouse, or to the support of a child or other dependent of a TSP participant.
- specify the plan name as the “Thrift Savings Plan.” Variations like “Thrift savings account” or “Federal benefits” are **not** acceptable.
- specify the amount or percentage of benefits to be paid, the calculation date, and the payment method.
- The RBCO must also include:
 - Name
 - Last known mailing address
 - Last 4 digits of the participant’s SSN
 - Full SSN of the payee

An RBCO cannot exceed the participant’s account balance or request a payment that is already obligated to another payee based on a previous court order.

TSP-specific Requirements for a Qualifying Retirement Benefits Court Order

In addition to the general requirements, an RBCO must follow the TSP requirements and guidelines below to be processed.

- If the participant has multiple TSP accounts, the court order must specify which account it relates to, including a beneficiary TSP account. See “Special Rules for Beneficiary Participant Accounts” on page 18 for more information.
- The court order must specify a valuation date to calculate the payee’s award based on the market value of the participant’s vested account balance. Otherwise, the payee’s award will be transferred from the

participant's current vested account balance into a temporary asset transfer account in the payee's name.

- The valuation date can not be in the future.
- The award must be a dollar amount or percentage of the participant's vested account balance as of the valuation date. If the payee is awarded more money than the participant's vested account balance at the time the award is transferred to a temporary asset transfer account, the payee will receive the entire available balance.
- The court order can state whether to include or exclude earnings and losses from the account's valuation date to the distribution date. If the court order awards earnings and losses, the TSP will calculate the amount. If the court order awards only earnings, the order can specify a fixed annual interest rate or daily amount to the payee's award.
- Earnings and losses will be paid on all payee awards from the date the funds are moved into the temporary asset transfer account until the disbursement date.
- A payee's award will be adjusted for earnings and losses if awarded in the court order from the valuation date until the date the payee's temporary asset transfer account is established.
- The award will be distributed proportionally from all TSP investment funds and contribution sources in the participant's account.
- If the participant's core funds do not cover the awarded amount, Mutual Fund Window funds will be used to cover the remaining amount. The core funds are depleted first before the Mutual Fund Window assets are liquidated to cover the awarded amount.
- The court order may include or exclude the outstanding loan balance from the participant's account before determining the payee's award. If the order does not mention any outstanding loan balance, the awarded amount will be determined from the gross account balance.
- The court order cannot make the payee responsible for repaying the participant's outstanding loan.

The participant will pay a \$600 RBCO processing fee when the TSP receives the initial court order, unless the court order specifically allocates the fee to the parties in a different manner.

For more information about any of these requirements, contact the TSP using one of the ThriftLine options listed at the end of this booklet.

The Effects of a Court Order on a TSP Account

A court order can be used to prevent a participant from withdrawing from a TSP account during a divorce action. Upon receiving a court order related to divorce, annulment, or legal separation, the TSP will “freeze” the participant’s account if:

- the court order names the “Thrift Savings Plan” and states that the participant may not obtain a TSP loan or withdrawal; or
- the court order claims to divide a participant’s TSP account.

Once an account is frozen, the participant cannot request a new loan or withdrawal until the court action is resolved. The participant will still be able to perform other account transactions, including changing investments and making loan payments.

The TSP will not freeze an account in response to anything other than the court orders described here.

The TSP follows four steps in response to a court order:

Step 1. The TSP will freeze the participant’s account immediately after receiving a qualifying RBCO.

Step 2. If a court order submission is reviewed and found to be incomplete, the TSP will remove the freeze.

If a court order does not qualify, the TSP will remove the freeze 18 months after the decision letter date.

Step 3. When the TSP receives a complete court order, the TSP will freeze (or retain the freeze on) the participant’s account and evaluate the court order to determine whether it is an RBCO and how to divide the account.

Step 4. The TSP will send a decision letter to the participant and other relevant parties after evaluating the court order. The letter will explain how the court order will affect the participant’s account.

The party responsible for paying federal income tax on the distribution will receive tax reporting and withholding information from the TSP.

If the payee is the current or former spouse of the participant, the payee will also receive information about the option to transfer the payment to a traditional IRA, a Roth IRA, or an eligible employer plan. The transfer option does not apply to court-ordered payments made from beneficiary participant accounts.

The freeze will be removed from the participant's TSP account as follows:

- **If the account was frozen because the TSP received an incomplete court order**, the freeze will be removed if a complete copy of the order is not received within 18 months of the TSP's written request.
- **If the account was frozen in response to a court order issued to preserve the existing status (a freeze order)**, the freeze will be removed when the TSP receives a court order that specifically removes the freeze, or when the TSP receives a court order that requires a payment from the TSP.
- **If the account was frozen due to a court order that requires payment from the TSP**, the freeze will be removed when it is reviewed and found to be incomplete.
- **If the court order does not meet the qualifying criteria**, the account will stay frozen for 18 months starting from when the decision letter is dated informing the parties that the order does not qualify. However, the freeze can be lifted earlier if the TSP receives signed and notarized letters from both parties stating that the freeze can be removed.

For death benefit purposes, your designated beneficiary will receive your account, even if you divorce. Consequently, as your life situation changes, you may want to review and update you beneficiary designation.

To designate or change a beneficiary, log in to My Account on tsp.gov.

Garnishing a TSP Account for a Participant's Alimony or Child Support Debt

A TSP account can be garnished with a writ, order, summons, or other similar document that acts to enforce a participant's child support or alimony obligation. The TSP calls such a document a "legal process."

To be honored by the TSP, a legal process must meet the requirements found at 5 U.S.C. § 8437(e)(3) and 5 C.F.R. part 1653, subpart B.

The TSP will only review a complete copy of a legal process. To be complete, it must contain all pages and attachments and provide (or be accompanied by) a document that provides:

- the last four digits of the participant's Social Security number (SSN);
- the name and mailing address of each payee;
- if the current or former spouse of the participant is a payee, the full SSN of the spouse-payee;
- if the current or former spouse of the participant is a payee and the court order requires the payment to be mailed in care of a third party, the state of legal residence of the spouse-payee); and
- if the legal process is written in a language other than English, a certified English language translation of the entire legal process.

A legal process must meet three requirements according to 5 C.F.R. § 1653.12:

- It must be issued by a court or administrative agency of competent jurisdiction in any of the 50 United States, the District of Columbia, or a territory or possession of the United States, by a court in a foreign country with which the United States has entered into an agreement to honor such processes, or by an official, pursuant to an order of such a court or administrative agency of competent jurisdiction or pursuant to State or local law.

- **The court order must explicitly name the “Thrift Savings Plan” to be valid.** Terms like “all retirement benefits” or “government benefits” are not sufficient.
- The court order must either specify a dollar amount to be paid from the participant’s TSP account for child support or alimony, or it must instruct the TSP to freeze the account until an order is received for such payment. The TSP will not comply with a court order that awards a percentage or fraction of the account or requires multiple payments over time.

A participant who owes alimony or child support can have the TSP account frozen if the TSP receives a legal process that meets the requirements above.

The participant will pay a \$600 RBCO processing fee when the TSP receives the initial court order unless the court order specifically allocates the fee to the parties in a different manner.

The TSP follows four steps in response to a legal process:

Step 1. The TSP will freeze the participant’s account when they receive a qualifying legal process.

Step 2. If the legal process is reviewed and found to be incomplete, the TSP will remove the freeze when the notice is sent to the participant and payee.

Step 3. Upon receiving a complete legal process, the TSP will determine if it is a qualifying order.

Step 4. The TSP will send a decision letter to the participant and other relevant parties after evaluating the court order. The letter will explain how the court order will affect the participant’s account and when the freeze will be removed. It will also explain how the award will be calculated and distributed. If the legal process is not qualifying, the letter will provide an explanation.

The party responsible for paying federal income tax on the distribution will receive tax reporting and withholding information. If the payee is the current or former spouse of the participant, the payee will also receive information about the option to roll over the payment to a traditional IRA, a Roth IRA, or an eligible employer plan. The rollover option does not apply to court-ordered payments made from beneficiary participant accounts.

If an order names a spouse or former spouse as a payee, any portion of the award distributed as a cash payment will be treated as taxable income to the payee. If the intent of the parties is to award a payment for child support arrears that is taxable to the participant, the payee must be identified in the court order as the dependent child or as a state child support enforcement agency.

If the participant's account was frozen after the TSP received a complete qualifying legal process, the freeze will be removed in the following ways:

- **If the legal process requires a payment from the TSP**, the freeze will be removed after the TSP disburses the payment.
- **If the legal process does not require a payment from the TSP**, the freeze will be removed immediately after the TSP informs the parties in writing that the document is not a qualifying legal process.

Some states allow a two-step garnishment process. The first step consists of an order to withhold, which freezes the assets of the person who owes money. The second step consists of an order to deliver, which requires the TSP to pay a specified amount of the participant's account to a third party.

If the account was frozen upon receipt of an order to withhold, the freeze will be removed:

- upon receipt of an order removing the freeze;
- after payment according to a qualifying order to deliver; or
- after the TSP informs the parties in writing that the document is not a qualifying legal process.

How the TSP Calculates an Entitlement

For a Retirement Benefits Court Order

If a court order awards a dollar amount or percentage of a TSP account as of a specific day, the payee's entitlement is determined based on that day's total account balance.

If a court order specifies a dollar amount or percentage of a TSP account without specifying a date, the payee's entitlement is based on the date the assets were transferred into a temporary asset transfer account in the payee's name.

If a court order specifies a fixed dollar amount, the payee's entitlement is the lesser of the dollar amount stated or the vested account balance on the date the funds are moved into a temporary asset transfer account.

If a court order specifies a fixed dollar amount and a percentage of the account, the payee's entitlement is the specified dollar amount, regardless of the percentage's calculation.

A court order cannot require the TSP to pay more than the participant's total vested account balance. Therefore, if the payee's entitlement exceeds the participant's vested account balance at the time of payment, the funds are moved into a temporary asset transfer account.

For a Legal Process

The payee's entitlement is determined based on the participant's vested account balance at the time of payment. The legal process can only award a specific dollar amount, so the TSP will pay the lesser of the specified amount or the participant's vested account balance.

Effect of a Loan

For purposes of computing a payee's entitlement, **the dollar amount of an outstanding TSP loan is included in the account balance**, unless the court order specifically states otherwise. Therefore, a court order does not need to mention a TSP loan unless the outstanding loan amount should be excluded from the award calculation.

For example, assuming a participant has a \$10,000 account balance and also has a \$5,000 outstanding loan, the total account balance for the purpose of computing a payee's entitlement would be \$15,000. This is because funds borrowed by a participant are not considered to be withdrawn from the account and are expected to be paid back to the account by the participant.

Note: If the court order does not address any outstanding loan balance, the entitlement will be determined from the gross account balance. Also, the court order cannot give the payee the responsibility for repaying the participant's outstanding loan.

Interest and Earnings

For a retirement benefits court order, the term "earnings" includes earnings and losses.

No interest or earnings will be paid on the entitlement amount unless the court order specifically mentions them. If the court order does include them, it can only require the payment of earnings at a specified annual percentage rate or the addition of a daily dollar amount to the payee's entitlement.

The court order cannot refer to a TSP fund as an interest or earnings rate. If the court order mentions earnings but doesn't specify a rate or a daily dollar amount, the TSP will calculate earnings based on the participant's investment in TSP funds on the date of entitlement calculation. This calculation takes into account the number of units the participant had in each fund and the unit price of those funds up to two days before disbursement. It's important to note that any investment changes made after the date of entitlement calculation are not considered in this calculation.

Tax Treatment and Rollover of Payments

Tax Treatment

The tax treatment of a payment made under a qualifying court order or legal process depends on the type of money contributed to the TSP account. A TSP account may consist of a traditional (pre-tax) balance, a Roth (after-tax) balance, or both.

Contributions to a **traditional balance** are made before taxes, so the participant does not pay taxes on their own contributions, agency/service contributions, or earnings. Therefore, taxes will be owed on the traditional portion of a payment made under a qualifying court order or legal process.

On the other hand, contributions to a **Roth balance** are made after tax, meaning the participant has already paid taxes on those contributions. The portion of a payment that comes from Roth contributions is not subject to taxation. Furthermore, as long as specific rules set by the Internal Revenue Service (IRS) are followed, no taxes will be owed on the earnings from Roth contributions.¹

Any payment made under a qualifying order will be disbursed proportionally from any traditional and Roth balances in the participant's TSP account. A court order or legal process cannot specify the type of balance from which the payment can be taken.

If a payment is made to the current or former spouse of the participant, the taxable portion of that payment is reported to the IRS as gross income for the spouse payee in the tax year when the payment is received. This is true unless the funds are rolled over to a traditional IRA, a Roth IRA, or an eligible employer plan. It's important to note that this applies even if the payment is intended to fulfill child or spousal support arrears.

If the payment is made to someone other than the current or former spouse of the participant (e.g., a child or a support enforcement agency),

¹ The tax treatment of Roth earnings depends on whether those earnings are qualified. Earnings become qualified, and therefore paid tax-free, when two conditions have been met: 1) 5 years have passed since January 1 of the calendar year in which the first Roth contribution was made, and 2) the participant has reached age 59½, has a permanent disability, or has died.

the taxable portion of the payment is reported to the IRS as gross income for the participant for the tax year in which the payment is made.

A payment in response to a retirement benefits court order or legal process is not subject to an early withdrawal penalty tax. Such distributions are exempt from the early withdrawal penalty tax under the Internal Revenue Code.

For more detailed information about tax treatment of payments, see the TSP booklet *Tax Rules about TSP Payments*.

Rollovers

All or part of a payment to a current or former spouse under a court order or legal process may be rolled over to a traditional IRA, a Roth IRA, or an eligible employer plan. **Court-ordered payments made from a beneficiary participant account (BPA) may not be transferred or rolled over.** For more information about BPAs, see the “Special Rules for Beneficiary Participant Accounts” on page 18.

If the current or former spouse has a TSP account, they can roll over all or part of their payment to that TSP account.

It’s important to note that tax-exempt balances from a uniformed services member’s TSP account cannot be rolled over to another TSP account. See “Special Rules for Uniformed Services Accounts” on page 17.

In situations where a court order directs the TSP to send a payment to a third-party recipient, such as the payee’s attorney, the current or former spouse of the participant still has the right to ask the TSP to roll over the payment to a traditional IRA, a Roth IRA, or an eligible employer plan. This means that even if a court order specifies that the TSP should mail the payment to a third-party recipient on behalf of the current or former spouse, the TSP will honor the spouse’s request to roll over the payment.

A payment that is properly made cannot be returned to the TSP. (See 5 C.F.R. § 1653.5(l).)

Method and Timing of Payments

Method of Payment

The payment will be made pro rata (proportionally) from any traditional and Roth balances in the participant's account, and from all TSP investments in which the participant is invested:

- based on the balance in each fund on the date payment is made; and
- from all contribution sources (i.e., from employee contributions and employing agency or service contributions, if applicable).

A TSP payment is made by United States Treasury check directly to the payee or by direct deposit via electronic funds transfer (EFT) to the payee's financial institution. However, the direct deposit cannot be used to roll over a payment or a portion of a payment to an IRA or eligible employer plan.

Once the court order is qualified, the payee's assigned entitlement will be established in a temporary asset transfer account. The payee becomes eligible for payment as soon as administratively feasible after qualification. It's important to note that the court order cannot provide specific payment or rollover instructions. The payee must make a request for distribution or rollover through the TSP by logging in to the temporary asset transfer account or contacting the ThriftLine. A court order payment must be a one-time total distribution. If the payee is a child support agency, a temporary asset transfer account will not be created.

Timing

The TSP typically disburses a payment 60 days after issuing the decision letter that explains how the court order or legal process will affect the participant's account (30 days for a child support payment). However, if the payee is the current or former spouse of the participant, the payee can request an earlier payment by

- waiving the tax notification period;
- making a federal income tax withholding election; or
- requesting a rollover of the payment to a traditional IRA, a Roth IRA, or an eligible employer plan. (Payments from a beneficiary participant account cannot be rolled over.)

If the payment is made to a state child support enforcement agency, the disbursement generally occurs 30 days after the TSP issues a decision letter.

When the payee is the current or former spouse, the participant cannot elect additional federal income tax withholding.

In no case will payment be made earlier than 30 days after the date of the TSP decision letter.

Disputing a Payment

Once the TSP issues a decision letter regarding a court order, it is considered a final administrative action by the TSP. Court-ordered payments that are made in accordance with TSP rules cannot be reversed.

The only way to cancel or suspend a pending court-ordered payment is to obtain a valid new or amended court order, motion, or restraining order specifically addressing the relevant case. If there is a dispute with any part of the decision letter, the concerned party should contact the TSP immediately and submit a signed letter of dispute containing their current phone number and mailing address. The letter of dispute must reach the TSP no later than 25 days from the date of the decision letter.

Upon receiving a letter of dispute, the TSP will hold the payment until the scheduled payment date. If a valid new or amended court order, motion, or restraining order has not been received by the payment date, the TSP will disburse the payment, which cannot be reversed.

Special Rules for Uniformed Services Accounts

When a participant has more than one type of account, such as a civilian, uniformed services, and a beneficiary participant account, a single court order or legal process can affect all of the accounts. However, each account must be specifically identified in the court order or legal process.

If the court order or legal process requires payment from more than one TSP account, it must clearly describe the payee's entitlement for **each account**.

TSP accounts for uniformed services members may include contributions from pay that is subject to the combat zone tax exclusion. These tax-exempt contributions remain tax-exempt even when disbursed from the account through a qualifying court order or legal process.

However, the **earnings** on tax-exempt contributions may or may not be taxable. Earnings on tax-exempt contributions made to a **traditional balance** are taxable upon distribution. On the other hand, earnings on tax-exempt contributions made to a **Roth balance** are not taxable if they meet the IRS rules for qualified earnings (see the footnote on page 13).

If a payment is made from a traditional balance that consists of both taxable and tax-exempt funds, the payment will be disbursed proportionally from the taxable and tax-exempt amounts. It's important to note that a court order or legal process cannot specify that a payment be made exclusively from tax-exempt contributions.

If the payment is eligible to roll over and the payee wants to roll over a payment that includes tax-exempt funds, these are the options:

- If the award contains a tax-exempt contribution from a traditional balance, the tax-exempt portion can be rolled over to a traditional IRA, a Roth IRA, or certain eligible employer plans, but **only if the IRA or plan accepts tax-exempt funds**.
- If the current or former spouse decides to roll over only a portion of the payment from a traditional balance into an IRA or eligible employer plan, **the taxable portion of the payment will be rolled over to the IRA or plan first**. Amounts that are not rolled over will be paid directly to the payee.

If a payee wants to roll over a payment to an existing TSP account, any tax-exempt balances coming from a uniformed services TSP account cannot be rolled over to another TSP account.

For more detailed information regarding the rollover of payments that include tax-exempt funds, see the TSP booklet *Tax Rules about TSP Payments* on [tsp.gov](https://www.tsp.gov).

Special Rules for Beneficiary Participant Accounts

Beneficiary participant accounts are created for spouses who are beneficiaries of deceased TSP participants. Court orders can be processed against these beneficiary participant accounts, but special rules apply. Payments made from a beneficiary participant account through a court order cannot be rolled over. Therefore, if a beneficiary participant remarries, their new spouse will not have the option to roll over any court-ordered payments received from the beneficiary participant account. The taxable portion of the payment will be fully subject to taxes in the year it is received.

When a beneficiary participant account contains tax-exempt money, the money remains tax-exempt when it is distributed from a beneficiary participant account in accordance with a qualifying court order or legal process.

When a participant has more than one type of account, such as a civilian, a uniformed services, and/or a beneficiary participant account, a single court order or legal process can affect all the accounts. However, each court order or legal process must specifically identify from which type of account the payment is to be made. If a participant has more than one beneficiary participant account, the court order or legal process must

- specify the account type of the beneficiary participant account (uniformed services or civilian);
- include the deceased participant's name; and
- include the last four digits of the deceased participant's Social Security number.

Tips for Avoiding the Delay or Denial of Awards

Common errors or omissions can sometimes result in the delay or denial of a court-ordered award. To avoid them, use the checklist below.

- Provide the signature of the appropriate judicial official.
- Include the payee's current address and, if the payee is a spouse or former spouse, their Social Security number (SSN). The payee's date of birth is also required to create a temporary asset transfer account. If the payee's information is not provided within the court order, legal process, or any addendum, it may be submitted by the payee, participant, or either party's attorney of record.
- Include the participant's current address and last four digits of participant's SSN.
- Ensure the court order or legal process refers specifically to the "Thrift Savings Plan" by name.
- Ensure the dollar amount of the award (or percentage, if a retirement benefits court order) is clearly stated.
- Ensure that the court order specifically states that it is issued in accordance with the domestic relations law of any of the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, or the Virgin Islands, or by any Indian court as defined by 25 U.S.C. § 1301(3).
- Ensure the court order or legal process specifically identifies the account from which the award is to be paid using the terms "civilian," "uniformed services," or "beneficiary participant," if the participant has more than one type of TSP account.
- If the spouse payee wants to roll over a payment to a traditional IRA, Roth IRA, or eligible employer plan, ensure the request is submitted promptly to the TSP. Failure to do so will result in receiving a check, and the mandatory 20% tax withholding will apply to any taxable amounts. Once a payment is disbursed, the TSP cannot reverse it.

Giving a Power of Attorney (POA)

A TSP participant or payee may use a POA to authorize another person to act on their behalf with respect to property decisions (including retirement benefits). The TSP participant or payee who gives the POA is called the “principal,” and the individual who is authorized to act on behalf of the principal is called the “agent” or “attorney-in-fact.”

A POA can be either general or specific:

- A **general POA** grants the agent unlimited authority to handle TSP-related matters, such as making withdrawals, taking loans, or modifying beneficiaries.
- A **specific or special POA** gives limited authority to the agent and clearly states the actions they can take on behalf of the principal, like accessing account information or performing specific financial transactions.

When signing documents on behalf of the principal, the agent should sign their name followed by “POA for” and the principal’s name. When contacting the TSP on behalf of the principal, the agent will need to provide information about the approved POA for verification.

Springing POA

A “springing POA” becomes effective only after a specific event has taken place. A springing POA must be submitted with evidence that the event it describes has already occurred.

For example, for a springing POA, the TSP participant might sign a statement saying, “This POA is effective when I become incapacitated or disabled as documented by a physician.” In such a case, acceptable evidence would be a letter from the participant’s physician clearly stating that the participant has become “incapacitated” or “disabled.”

You can find ways to submit POA documentation on the contact page at the end of this booklet.

The participant is still able to conduct business on the account when there is a valid POA on file.

Court Appointments of Guardians or Conservators

A court order that authorizes an individual to act on behalf of an incapacitated or incapable person is known as a guardianship order or a conservatorship order. For the purposes of the TSP, the incapacitated or incapable person is the participant, the beneficiary, or a payee. That person is also referred to as the “ward.” The person appointed by the court to act on the ward’s behalf is called a “guardian” or “conservator.”

Once a guardianship or conservatorship order is approved, the TSP will not accept any documents the participant signs after the date of the court order.

A guardianship or conservatorship order must be issued by a court in one of the 50 United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, or the Virgin Islands, or by any Indian court as defined by 25 U.S.C. 1301(3). Before the TSP can honor a guardianship or conservatorship order, it must be signed by a judge or other authorized judicial official. Additionally, you must provide evidence that all the conditions stated in the order have been met. For instance, if the order specifies that it is only effective upon the issuance of letters of guardianship, you must include those letters along with the order. (See 5 C.F.R. § 1690.13(a)(3).) If the jurisdiction issues letters of guardianship or conservatorship, both the letters and the original order must be submitted for review.

Similar to a power of attorney (POA), a guardianship or conservatorship order can grant an individual either general or specific powers. For example, a guardianship or conservatorship order with general power might appoint the guardian or conservator to handle the ward’s overall estate or personal property or conduct business transactions on their behalf. However, a guardianship or conservatorship order with specific power would limit the guardian’s or conservator’s authority. For example, it might appoint them only to access information about the participant’s TSP account or to borrow or withdraw funds from that account.

Guardianship and conservatorship orders vary significantly across different jurisdictions.

Glossary of Terms

Account Balance—The dollar amount in a participant’s TSP account.

Award—An amount of money granted to an individual as determined in a court order.

Benefit—A payment from a TSP account that includes both contributed money and earned interest.

Child Support Court Order (CSCO)—A writ, order, summons, or similar document that acts to enforce a child support obligation by garnishing a participant’s TSP account.

Conservatorship—A court order that authorizes an individual to act on behalf of an incapacitated or incapable person.

Disbursement Date—The date the payee’s award is moved into a temporary asset transfer account.

Guardianship—A court order that authorizes an individual to act on behalf of an incapacitated or incapable person.

Legal Process—A writ, order, summons, or other similar document that acts to enforce a participant’s child support or alimony obligation.

Participant—A federal civilian employee, uniformed services member, or beneficiary participant who owns the TSP account that is subject to division.

Payee—Any spouse, former spouse, child, or other dependent of a participant who is recognized by a Retirement Benefits Court Order or Child Support Court Order as having a right to receive all or a portion of the benefits payable under the TSP.

Power of Attorney (POA)—A legal document that authorizes one person to conduct legal and financial business on behalf of the participant. The participant is still able to conduct business on the account when there is a valid POA on file.

Retirement Benefits Court Order (RBCO)—Any legal decision about child support, alimony payments, or marital property rights made under state domestic relations laws for a participant’s spouse, child, or dependent.

Temporary Asset Transfer Account—A temporary TSP account established for the payee by the transfer of money from a participant’s vested account balance according to the terms of a Retirement Benefits Court Order.

Valuation Date—The date on which the participant’s vested account balance will be valued to determine the payee’s designated portion in accordance with the terms of a court order. Accounts are valued daily.

Vested Account Balance—The dollar amount the participant has a nonforfeitable right to receive from the TSP.

Contact the TSP

ThriftLine Service Center

Phone:

1-877-968-3778 (United States, toll-free)
+1-404-233-4400 (Outside the United States, not toll-free)
7 a.m. – 9 p.m. eastern time, Monday through Friday

TSP website:

tsp.gov

Submitting Court Orders and Documentation

To create or submit court orders and powers of attorney documentation, request spouse account information, and get model language to use in an order, visit the TSP Court Order Center at tsp.gov/lifeevents.

You can also use one of the following post office boxes:

Divorce Decrees, Retirement Benefits Court Orders, and Child Support Court Orders

TSP Court Order Center
C/O Broadridge Processing
PO Box 120
Newark, NJ 07101-0120

Power of Attorney, Guardianship, or Conservatorship

TSP Power of Attorney (POA) Center
C/O Broadridge Processing
PO Box 1990
Newark, NJ 07101-1990

Summons, Subpoenas, and Service of Process

ThriftLine Service Center
C/O Broadridge Processing
PO Box 1600
Newark, NJ 07101-1600

Overnight Delivery

Divorce Decrees, Retirement Benefits Court Orders, and Child Support Court Orders

TSP Court Order Center
C/O Broadridge Processing
2 Gateway Center
283-299 Market Street 17th Fl
Newark, NJ 07102

Power of Attorney, Guardianship, or Conservatorship

TSP Power of Attorney (POA) Center
C/O Broadridge Processing
2 Gateway Center
283-299 Market Street 17th Fl
Newark, NJ 07102

Fax Number:

Power of Attorney: 1-773-915-6007

Court Orders: 1-773-915-6006

Questions? You can email the TSP at courtorder@tsp.gov. Be sure to include the following information:

- Your name
- Reference to the “Thrift Savings Plan”
- Last four digits of the participant’s Social Security number

Do not include personal and confidential information, such as a full Social Security number, in the email, unless specifically requested by the TSP.

