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SERS Reversionary Annuity Fact Sheet

The Reversionary Option

The SERS Reversionary Annuity option reduces your retirement benefit to provide a lifetime income for your designated dependent after your death.

The reversionary annuity is useful for providing income to a surviving spouse or other dependent who didn't work, or worked very little, and won't receive much retirement or Social Security income. If your life expectancy is limited, or your dependent is significantly younger, the reversionary annuity might be a good option for you.

If you choose the reversionary annuity, IT CANNOT BE RESCINDED. If the designated dependent dies before you, the reversionary annuity is void and your retirement benefit is not recalculated.

A dependent is a spouse or anyone who you can show is dependent on you at the time of your retirement. The reversionary annuity does not have an annual cost of living increase.

The reversionary annuity is paid in addition to any SERS survivor benefits that may be payable at your death. You may choose a reversionary annuity benefit continuation in 10% increments from 10% to 100% of your retirement benefit.

If the spouse dies before the member, the reversionary annuity is void, but the member's retirement benefit cannot be recalculated. After he dies, his spouse will receive 50% of the retirement benefit being paid at his death for her lifetime, and may also be eligible for a survivor benefit.

A member is 60 years old at retirement with a 58 year old spouse & elects a 50% reversionary annuity benefit.

His regular monthly retirement benefit is \$4,000 but is reduced to \$3,770.80 per month due to the reversionary election. The member will receive the yearly 3% cost of living increase until his death.