



No Surprises – What to Expect After Retirement

Retirement Payments

Retirement Date	1 st check	2 nd payment	3 rd payment	Remainder
	6-8 weeks	End of month after 1st check	End of month	Last business day of month
	-Partial month -Direct-deposited into your financial institution -Advice of deposit mailed to your home address -No deduction for medical insurance	-Full month -May include 2-3 deductions for medical insurance, since you pay one month in advance for insurance	-Normal deductions -Healthcare credit applied, if eligible*	-Dental insurance premiums will begin with the 4 th payment, if applicable

*Any retroactive Healthcare Credit may be applied to your medical insurance deduction. For more information, contact TVA Employee Benefits at (888) 275-8094.

Other Payments – For more information, please call Disbursement Services at (865) 632-2231

Retirement Date	Last paycheck	Annual leave	Severance pay
	Following payday Monday	2nd or 3rd payday after retirement	2nd or 3rd payday after retirement
	Your last employee paycheck for straight time should be paid on the “payday” Monday following the last pay period that you worked in. Any pay due applicable to other types of pay (such as overtime) is paid in arrears and would be paid the next available pay date.	If you have an annual leave or a restored leave balance when you retire, it will be paid in a lump sum after the last active paycheck. Standard Social Security, Medicare, and income taxes are deducted from this payment. Federal income taxes are assessed at the IRS Supplemental rate (currently 25%). Medical, dental, and life insurance may also be deducted from this payment. Depending on the timing of your termination date within your last bi-weekly pay cycle, this payment is made on either the second or third regular pay date after your termination.	If eligible, severance pay is also paid after the last active paycheck. Social Security, Medicare, and income taxes are deducted from this payment. Federal income taxes are assessed at the IRS Supplemental rate (currently 25%). Severance is paid in the same time frame as lump sum Annual Leave.

Also Important

- **State income tax** is not withheld from your TVA retirement benefit.
- Fidelity Investments can be contacted at (800) 354-7121 to arrange any distribution from the 401(k) Plan. This does not have to be arranged before you retire.
- In order to receive a Social Security benefit, you must sign up 3 months before the month you expect to receive it. You can make an appointment by contacting Social Security at (800) 772-1213.