



Public Employees' Retirement System of Nevada
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Retired Public Safety Officers Tax Exclusion Fact Sheet

What is it?

Section 845 of the Pension Protection Act allows for an annual tax exclusion up to \$3000 for public safety officers who have a deduction from their PERS check for medical, dental, vision, and/or long-term care insurance. The exemption applies to deductions for the officer, the officer's spouse and dependents. Payments for health care or long-term care insurance must be taken as a deduction from the retired employee's PERS check and paid directly to a participating insurer.

Who Qualifies?

This is a benefit enacted by congress that is available to PERS retirees who served as a public safety officer with a public agency in an official capacity, with or without compensation, as a law enforcement officer, as a firefighter, as a chaplain for a police or fire department, or as a member of a rescue squad or ambulance crew. An eligible retired public safety officer is an individual who was in a public safety officer position at the time of retirement and was fully eligible to retire based on service credit and age or retired under a disability retirement with PERS.

Other Important Facts

PERS has implemented the program based on its understanding of the information currently available, with the anticipation that the program may require revisions and adjustments as the provisions of the Pension Protection Act are interpreted and clarified. By participating in the program, you acknowledge that changes may be required and that changes could affect your eligibility or the eligibility of your insurance carrier or policy. It may also result in the reversal of some transactions. You agree that any benefit or privilege granted under this program is subject to change or revocation, that you will cooperate with any adjustments, and that PERS is not responsible for any consequence of any change to the program, including unexpected tax liability, interest, and penalties.

Responsibility of Your Health Plan or Insurance Carrier

In order for you to participate in the program, your health plan or insurance carrier must enroll in the program by completing and returning the Public Safety Officers Health Plan or Insurance Carrier Agreement to PERS. It is the responsibility of each individual health plan or insurance carrier to determine if they meet the qualifications to participate in this program. Your health plan or insurance carrier may complete one election form which will apply to all participants in the group or plan who qualify for the tax exclusion. PERS can verify if your health plan or insurance carrier is currently participating in the program.

Application Process

If you meet the conditions outlined in Section 845, complete the Public Safety Officers Tax Exclusion Agreement and submit it to PERS for processing. Once all paperwork is in place, the tax credit, not to exceed \$3000, may be taken starting in the year in which you submit your election form to the PERS office, provided your health plan or insurance carrier is also a participant in the program.

