

Tax Remedy Restoration or Removal: Residency Certification Form

Senate Bill 822 (2013) eliminated the tax remedy for benefit recipients who do not pay Oregon state income tax on their PERS benefits because they do not reside in Oregon. This is because the benefit increase was provided as a remedy for subjecting PERS benefits to Oregon state income tax.

The new law requires PERS to adjust the tax remedy once a year on January 1. Residency Status Certification forms must be received by December 15 to be effective for the following year.

For 2014 only, PERS will restore the tax remedy for 2014 if we receive your certification form before February 15, 2014, and you are entitled to the tax remedy. We will provide a retroactive payment for any months the tax remedy amount was withheld if you are entitled to the tax remedy and if we receive your certification form before February 15, 2014.

The tax remedy amount may have been withheld from your January 1, 2014 benefit payment. If you have provided, or do provide, PERS with a Residency Status Certification form on or before January 22, 2014 and you are entitled to the remedy, we will restore the amount of your tax remedy beginning with your February 1, 2014 payment.

For alternate payees, your state of residence determines if you are eligible for the tax remedy if your divorce decree set up a separate PERS account for you. If your PERS benefit payment is a percentage of your ex-spouse's benefit, you do not receive an independent tax remedy. If your former spouse resides in a state other than Oregon and no longer receives the tax remedy, the benefit amount you receive may also decrease. We are working to determine the account status for alternate payees and restore the tax remedy for those alternate payees who are entitled to the payment increase. PERS will provide a retroactive payment for any months the tax remedy amount was withheld if you are entitled to the tax remedy.

Residency Status Certifications received on or after February 15, 2014 will be effective with the payment received on January 1, 2015.

[Click here for the Residency Status Certification form](#)

[Read the tax remedy FAQs](#)