Types of Retirement Plans

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QDRO or DRO? According to the Employee Retirement Income Security Act of 1974 (ERISA) a Qualified Domestic Relations Order (QDRO) is a judgment, decree or order that creates or recognizes the existence of an alternate payee's right to receive all or a portion of a plan participant's benefits under an ERISA-qualified employee benefit plan - i.e. to plans for for-profit businesses. A Domestic Relations Order (DRO) achieves the same purpose as a QDRO, but applies only to non-qualified plans, such as state & local governments, charities and public school teachers retirement systems.

Private Retirement Plans

Qualified Retirement Plan. A qualified retirement plan is one that meets the numerous requirements of the Internal Revenue Code (IRC) and the Employee Retirement Income Security Act of 1974 (ERISA). Plans meeting these requirements qualify for four important tax benefits:

1. Employers may deduct allowable contributions in the year they were made on behalf of plan participants.
2. Plan participants may exclude contributions and all earnings thereon from their taxable income until the year they are withdrawn.
3. Earnings on the funds held by the plan's trust are not taxed to that trust.
4. Many times, participants and/or beneficiaries may further delay taxation on a plan's benefits by transferring those amounts into another tax-deferred vehicle such as an Individual Retirement Arrangement (IRA).

A qualified retirement plan falls into one of three general categories: a defined benefit plan, a defined contribution plan, or a hybrid plan. A hybrid plan is one that combines various attributes of the first two categories, which are discussed below.

Nonqualified Retirement Plan. A nonqualified retirement plan is one that does not meet the requirements of the IRC or ERISA. These plans may be discriminatory in their application and are typically used to provide deferred compensation to key personnel. Because these plans allow a broader flexibility to the employer, they do not receive the same favorable tax treatment as that permitted qualified plans.

Defined Contribution Plans

Defined contribution plan. A defined contribution plan is a qualified retirement plan in which the contribution is defined, but the ultimate benefit to be paid is not. In such plans, each participant has an individual account. The benefit at retirement depends on the amounts contributed and on the investment performance of that account through the years. In such plans, the investment risk may rest solely with the employee because of the opportunity to choose from a number of investment options. The employee will ultimately receive the balance in their account, which is based on contributions plus or minus investment gains or losses. The value of the account will fluctuate due to the changes in the value of the investments.

401(k) is a defined contribution plan under which an employee can elect to have the employer contribute a portion of the employee's cash wages to the plan on a pre-tax basis. These deferred wages (elective deferrals) are not subject to federal income tax withholding at the time of deferral and they are not reflected as taxable income on the employee's Form 1040, U.S. Individual Income Tax Return. Sometimes the employer may match these contributions.

- Can be set up by any employer other than a state or local government entity
- Participant's retirement benefits based upon participant's account balance
- Allows employees to contribute to their own retirement through salary deferrals, up to $16,500 and an additional $5,500 if age 50 or older
- Although not required, the employer can contribute to an employee's retirement account
- The maximum combined employer and employee contributions are the lesser of 100% of an employee's compensation or $49,000 or more if catch-up contributions
- Plan may allow employees to take loans and hardship withdrawals
- Immediate vesting in employee's own contributions

<u>Plans With IRAs</u>

- Participant's retirement benefits based on participant's account balance
- Some plans may allow employees to contribute
- No loans allowed
- Immediate vesting of all contributions

Payroll Deduction IRA

- Can be set up by any employer
- Participant's retirement benefits based on participant's account balance
- Employees may contribute to their own retirement by payroll deduction, up to $5,000 and an additional $1,000 if age 50 or older
- Can cover all employees or selected employees
- Employees may not take loans from the plan
- Employees may withdraw their balance at any time, subject to tax
- Immediate vesting in full account balance

Simplified Employee Pension (SEP) are relatively uncomplicated retirement savings vehicles. A SEP allows employees to make contributions on a tax-favored basis to individual retirement accounts (IRAs) owned by the employees.

- Can be set up by any employer
- Participant's retirement benefits based on participant's account balance
- Employer can decide each year whether and how much to contribute
- Only the employer is allowed to contribute to the plan on behalf of employees, up to the lesser of 25% of an employee's compensation or $49,000
- Must cover all employees who are at least 21 years of age and have been employed in 3 of the last 5 years with compensation of at least $5,501
- Employees may not take loans from the plan
- Employees may withdraw their balance at any time, subject to tax
- Immediate vesting in full account balance

Simple IRA. A Savings Incentive Match Plan for Employees (SIMPLE) IRA plan offers great advantages for businesses with 100 or fewer employees and no other retirement plans. It allows both the employer and employees to contribute to the plan.

- Can be established by any employer with 100 or fewer employees and no other retirement plans
- Participant's retirement benefits based on participant's account balance
- Allows employees to contribute to their own retirement through salary deferrals, up to $11,500 and an additional $2,500 if age 50 or older
- Requires the employer to make either matching contributions of up to 3% or a 2% contribution to all participants
- Employees may not take loans from the plan
- Employees may withdraw their balance at any time, subject to tax and withdrawals within the first 2 years may be subject to an additional 25% early distribution tax

- Immediate vesting in full account balance

Profit-Sharing Plan. Defined contribution plan under which the employer's contributions are discretionary. If contributions are made, the employer establishes a set formula for determining how they are divided among employees. A profit sharing plan or stock bonus plan includes a 401(k) plan.

- Can be set up by any employer
- Participant's retirement benefits based upon participant's account balance
- Can include a feature allowing employees to contribute to their own retirement through salary deferrals, up to $16,500 and an additional $5,500 if age 50 or older
- The employer can decide each year whether and how much to contribute
- The maximum annual contributions are the lesser of 25% of an employee's compensation or $49,000 or more if catch-up contributions
- May exclude certain employees provided annual coverage tests are met
- Plan may allow employees to take loans and hardship withdrawals
- May delay vesting of employer contributions

Employee Stock Ownership Plan (ESOP) is a form of defined contribution plan in which the investments are primarily in employer stock.

Money Purchase Pension Plan is a plan that requires fixed annual contributions from the employer to the employee's individual account. Because a money purchase pension plan requires these regular contributions, the plan is subject to certain funding and other rules.

Defined Benefit Plans - Traditional Pensions

A defined benefit plan is the traditional company pension plan. It is so called because the ultimate retirement benefit is definite and determinable as a dollar amount or as a percentage of wages. To determine these amounts, defined benefit plans usually base the benefit calculation on a combination of years of employment, wages, and/or age. These plans are funded entirely by the employer, and the responsibility for the payment of the benefit and all risk on monies invested to fund that benefit rests with the employer.

Benefits typically are not payable until normal retirement age and usually are paid in the form of a lifetime annuity. Nevertheless, a large minority of plans permits lump sum payments at retirement. Monies received as a lifetime annuity will be taxed at ordinary income tax rates and are ineligible for rollover to an IRA. Lump sum payments may be transferred to an IRA to defer immediate taxation. On transfer to an IRA, the proceeds are subject to IRA rules and regulations.

The Hybrid Cash Balance Plan

A cash balance plan is a defined benefit retirement plan that maintains individual employee accounts like a defined contribution plan. In other words, a cash balance plan defines the promised benefit in terms of a stated account balance. In a typical cash balance plan, a participant's account is credited each year with a "pay credit" (such as 5 percent of compensation from his or her employer) and an "interest credit" (either a fixed rate or a variable rate that is linked to an index such as the one-year treasury bill rate). Increases and decreases in the value of the plan's investments do not directly affect the benefit amounts promised to participants. Thus, the investment risks and rewards on plan assets are borne solely by the employer. When a participant becomes entitled to receive benefits under a cash balance plan, the benefits that are received are defined in terms of an account balance. The cash balance upon retirement is usually converted into an annuity based on the employee's life expectancy but some plans allow a lump sum to be paid. The benefits in most cash balance plans, as in most traditional defined benefit plans, are protected, within certain limitations, by federal insurance provided through the Pension Benefit Guaranty Corporation (PBGC).

Government & Non-Profit Retirement Plans

<u>Types of Defined Contribution Retirement Plans for Tax Exempt Employers</u>

403(b) - Public Education and Charities

- Can be set up by public education employers and tax-exempt (501(c)(3)) organizations
- Participant's retirement benefits based on participant’s account balance
- Allows employees to contribute to their own retirement through salary deferrals, up to $16,500 and an additional $5,500 if age 50 or older
- May allow certain employees with 15 or more years of service to contribute an additional $3,000
- Although not required, the employer can contribute to an employee’s retirement account
- The maximum combined employer and employee contributions are the lesser of 100% of an employee’s includible compensation or $49,000 or more if catch-up contributions or 15 or more years of service contributions
- Covers almost all employees
- Plan may allow loans and hardship withdrawals
- Immediate vesting in employee's own contributions

457(b) - Government Entities

- Can only be set up by state and local governments
- Participant's retirement benefits based on participant’s account balance
- Allows employees and independent contractors to contribute to their own retirement by deferring compensation, up to $16,500 and an additional $5,500 if age 50 or older
- May allow employees and independent contractors to make additional contributions for 3 years prior to normal retirement age
- Plan may allow employer contributions
- The maximum annual contributions are the lesser of 100% of includible compensation or $16,500 or more if catch-up contributions or additional contributions for 3 years prior to normal retirement age
- Plan may allow loans and hardship withdrawals

457(b) - Non-Governmental Tax-Exempt Organizations (Non-Church)

- Can only be set up by tax-exempt organizations (non-church)
- Participant's retirement benefits based on participant’s account balance
- Allows select group of management or highly compensated employees and independent contractors to contribute to their own retirement by deferring compensation, up to $16,500 or more for 3 years prior to normal retirement age
- Plan may allow employer contributions
- The maximum combined contributions are the lesser of 100% of includible compensation or $16,500 or more for 3 years prior to normal retirement age
- May cover select group of management or highly compensated employees and independent contractors
- No loans are allowed
- All contributions are subject to claims of creditors

State and Local Government Retirement Plans

There are many retirement plans for employees of local and state government. Each unit of government offers some type of defined benefit plan (pension) but the specifics vary from plan to plan. However, in general, an amount is deducted from the employee's pay before taxes and the employer matches and the employee's individual account grows. At retirement, either (1) the retirement is calculated based on a formula that involves the years worked and the average 3 or 5 years of highest pay, or (2) the total amount of the employee's contributions and the employer's matching contributions are used to calculate how much the retired employee is paid, depending on the payment option selected by the employee. Usually, if a worker leaves employment before retirement, he or she can withdraw only the amounts that have been deducted from his or her pay and does not get the employer matching amount. Thus, the amount in the employee's account shown on a statement can be misleading. **For a divorce, the attorney needs three documents: (1) a current statement showing the current amount of contributions from the employee, (2) an estimate from the retirement plan showing what the employee would get upon retirement, and (3) a plan description.**

The most plans mostly frequently encountered are:

Texas Municipal Retirement System (TMRS) - TMRS provides retirement plans to most cities in Galveston County and Harris County other than the cities of Galveston and Houston. TMRS sends out statements every Spring. The TMRS website allows you to see the details of each city's plan. Each city can choose various options, such as the amount of the employer match. TMRS Web Site: http://www.tmrs.org/

> TMRS operates like a hybrid cash balance pension for a private employer described above. Unlike, say Texas Teachers Retirement, the monthly amount of TMRS retirement benefits is based on the amount of employee contributions and matching employer contributions as well as the payment option selected by the retiree.

Cities of Galveston and Houston. The two cities of Galveston and houston operate their own retirement plans for historic reasons, including:

Galveston Firefighter's Relief & Retirement Fund

Galveston Employees Pension Plan for Police

Houston Firefighter's Relief and Retirement Fund
Web site: https://www.hfrrf.org/default.asp

Houston Police Officers Pension System
Web Site: http://www.hpops.org/

Houston Municipal Employees Pension System
website: http://www.hmeps.org/

University of Texas Retirement Plans
website: http://www.utsystem.edu/benefits/retirement/retirementprograms.htm

Teacher's Retirement System (TRS) (see below) - all U.T. employees are enrolled in TRS unless the choose the ORP below if they are eligible.

Optional Retirement Program (ORP) - an optional defined contribution plan for faculty, coaches, librarians, physicians and attorneys - this plan operates like a private 401k with employee pay deductions, employer matching individual accounts and investments controlled by the employee - except there are no loans and the employee does not get the state match if the employee leaves employment.

TRS or ORP? All full-time public higher education and public K-12 education employees are automatically enrolled in TRS on their first day of employment. An individual in public higher education who is employed in an ORP -eligible position is given **90 days** (ORP election period) to make a **one-time irrevocable decision** to enroll in ORP in lieu of TRS. Prior enrollment or vested status in a non-Texas ORP plan has no effect on an employee's eligibility or vested status under Texas ORP. Except for two special and unusual circumstances, employees who elect ORP in lieu of TRS must continue to participate in ORP for the remainder of their careers in Texas public higher education.

The TRS retirement annuity amount has no direct relationship to the actual amount of contributions made on behalf of a member because retirement annuities are determined by a statutory formula using number of years of service credit, average of five highest annual salaries1, and a "multiplier" set by state law (currently 2.3 percent). However, an ORP participant's benefit amount is directly dependent on the actual amounts contributed, so it is more sensitive to a fluctuating contribution rate. Contributions and interest earnings under both plans are not subject to federal income tax until the funds are withdrawn or paid as a retirement annuity. No ORP funds (including employee contributions and net earnings) can be withdrawn (including loans or hardship withdrawals) until the earlier of termination of all Texas public higher education employment or reaching age 70½.

After termination of employment, ORP participants continue to independently manage their retirement funds, including determination of the amount and timing of withdrawals (within individual contractual provisions and employer plan provisions). A terminated participant's ORP funds may be left on deposit with the company, rolled over to an IRA (Individual Retirement Account) or a subsequent employer's eligible retirement plan (if permitted under both plans), or withdrawn (with any applicable federal income taxes and early withdrawal penalties).

This PDF documents describes the TRS and ORP plans in detail:
http://www.utsystem.edu/benefits/retirement/pubs/trs_orpthecb.pdf

UTSaver Tax-Sheltered Annuity (TSA) - a 403(b) plan - employees contribute via payroll deduction pre-tax and/or after-tax dollars. There is no employer matching.

UTSaver Deferred Compensation Plan (UTSaver DCP) - The UTSaver Deferred Compensation Program (DCP) is a 457(b) voluntary retirement program that can allows employees to contribute via pre-tax payroll deduction and to contribute unused annual Paid Time Off and Preserved Holiday bank. The employee has a variety of investment options. There is no employer match.

Texas Teachers Retirement System (TRS) - Web site: http://trs.state.tx.us/

Participants in TRS contribute to an individual account with pre-tax dollars via payroll deduction (6%), which is matched by the State (6%). The TRS account statement for each participant shows only the amount of the employee's contributions and the annual interest added and includes a retirement estimate (see attached sample).

If an employee leaves covered employment before retirement, he or she only gets back the amount of the employee contribution with interest.

The TRS benefit amount paid upon retirement has no direct relationship to the actual amount of contributions made. The current formula for a monthly standard annuity is the number of years of service credit multiplied by 2.3 percent of the average of the highest five annual salaries and then divided by 12. The monthly standard annuity is $150. Anyone may visit the TRS website and use the Retirement Estimate Calculator (accessed from the Resources menu) to estimate future TRS retirement benefits, using various age, salary, and years of service credit assumptions. A standard annuity is available at age 65 with at least five years of TRS service credit, or at age 60 with at least five years if age plus years of TRS service credit is at least 80 (Rule of 80). Actuarially reduced annuities are available for early age retirement; the amount of the actuarial reduction depends on the member's age and years of service credit. However, retiree group health insurance for higher education employees (not administered by TRS) requires a minimum age of 65 (or any age if Rule of 80 is met) with at least 10 years of eligible service credit.

Texas County & District Retirement System (TCDRS) - Web site: http://www.tcdrs.org

TCDRS administers a defined benefit plan that works much like Teachers Retirement described above except that each employer (county, drainage district, etc.) decides the terms of its own plan.

Galveston County's Alternative to Social Security - Galveston County famously does not participate in Social Security and its system is often mentioned as a model by politicians who want to change Social security. Galveston County employees' retirement benefits are solely a direct result of employee and employer contributions and the individual employee's investment decisions. In each paycheck, employees contribute 14.875 percent of the their gross pay (6.13% from the employee, 8.765% from the county) to a private account. An investment company selected by the county invests the accounts conservatively and guarantees a minimum rate of return of 3.75 percent to 4 percent on the accounts to safeguard employees' benefits against inflation and severe drops in market rates. Employees can elect to put their portion of the contributions into riskier investments, like mutual funds and stocks, potentially to generate more interest. At retirement, employees can choose to take the money in a lump sum, take monthly benefits for a given time period or take a lifetime annuity, with slightly reduced benefits. Galveston County employees get an annual statement showing their plan balance.

Galveston County employees also participate in TCDRS described above.

Employees Retirement System of Texas (ERS) - Web site: http://www.ers.state.tx.us/home.aspx

ERS administers retirement plans for state employees, elected state officials and judges, and state law enforcement employees. The retirement plan for state employees is a defined benefit plan and works as follows:

> After 90 days of employment, 6.5% of the employee's salary is deducted and the employing state agency deposits 6% of the employee's salary into the State Accumulation account. These two sources of income create the Employee Retirement Fund. If the employee leaves State employment, he or she only gets the amount of the employee contributions. A state employee after five years of service qualifies for a lifetime retirement annuity upon retirement at age 60 (as long as he or she is still a member of ERS and has not withdrawn the employee contributions). A state employee may retire after the age of 60 with five years of service; however, he or she will not be eligible for group insurance benefits until the employee has 10 years of service credit and are at least age 65. An employee may also retire when he or she meets the requirements for the Rule of 80 (age plus years of service equal 80), which may allow the employee to retire before the age of 60. A worker who retires directly from state employment, may also count his or her available sick and vacation hours towards retirement credit.
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> Upon retirement, ERS calculates the average of the employee's highest 36 months of salary and multiplies that average times 2.3% for each year of service (e.g. - 23% for 10 years of service). A sample calculation is as follows:
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> You are a 56-year-old member with 24 years of creditable service.
> Your final average salary is $2,645 (average of highest 36 months salary).
> Percentage Calculation: 24 years @ 2.3% = 55.200%
> Total Percentage 55.200%
>
> Standard Annuity Calculation: Final Average Salary: $2,645.00
> Percentage x 55.200%
> Total Monthly Standard Annuity $1,460.04 (55.2% of $2,645).
>
> The retiring employee can choose various options, including monthly payments for life, payments for life and then to a surviving beneficiary for life, etc.

**Texa$aver 401k or 457 plans -** State employees may also participate in the Texa$aver 401k or 457 plans, which act just like a private 401k defined contribution plan except there is no employer match.

Website: https://texasaver.gwrs.com/link.do?nodeId=3626&accu=Texas&contentUrl=plan.highlights

Texas Emergency Services Retirement System - A state operated pension system for volunteer firefighters. The system is administered by the State of Texas through the Office of the Firefighters' Pension Commissioner. Over 200 departments around the state currently participate in the fund.

Web site: https://www.ffpc.state.tx.us/tesrs/tesrs.html

Federal Retirement Plans

CSRS - The Civil Service Retirement System is a defined benefit plan (pension) that covers civil service employees who started work with the federal government before January 1, 1984. Most CSRS employees are not part of Social Security and do not pay taxes into the system, nor are they eligible for benefits unless they qualify under private sector employment or by being rehired.

CSRS employees share in the expense of the annuities to which they become entitled. CSRS covered employees contribute 7, 7 1/2 or 8 percent of pay to CSRS and, while they generally pay no Social Security retirement, survivor and disability (OASDI) tax, they must pay the Medicare tax (currently 1.45 percent of pay). The employing agency matches the employee's CSRS contributions. CSRS employees may increase their earned annuity by contributing up to 10 percent of the basic pay for their creditable service to a voluntary contribution account. Employees may also contribute a portion of pay to the Thrift Savings Plan (TSP) but there is no matching Government contribution.

The CSRS annuity is calculated as follows:

Years of Service	Employee Receives
First 5 years of service	1.5 percent of your high-3 average salary for each year
Second 5 years of service	Plus 1.75 percent of your high-3 average salary for each year
For all years of service over 10	Plus 2 percent of your high-3 average salary for each year.

FERS - The Federal Employees Retirement System is a defined benefit plan (pension) that covers civil service employees who started work with the federal government after January 1, 1984. FERS employees must participate in Social Security.

The FERS annuity is based on a combination of the length of an employee's Federal service eligible for FERS retirement (referred to as "creditable Federal service, which may or may not equal the actual length of Federal service) and the average of the employee's highest three salaries earned during service (commonly shortened to "high-3"). The annuity does not begin until one full calendar month has passed since the employee's retirement. Thus, an employee retiring on the last day of a month (June 30, for example) will have his/her annuity begin on August 1 (as the entire month of July will have passed), but an employee retiring during a month (July 1, for example) will not have his/her annuity begin until September 1 (as July will not be a full month passed, but August will be). In order to qualify for the standard FERS annuity an employee must have reached a Minimum Retirement Age (MRA) and have a specified number of years of "creditable Federal service". Certain levels of military service may be purchased for a specified amount, but such repurchase is optional.

Thrift Savings Plan - this is a defined contribution plan similar to a 401k that is available to civil-service employees and the military. Both FERS and CSRS employees and members of the uniformed services may contribute up to the Internal Revenue Code limitation, which is $16,500 for 2011 A higher maximum contribution limit applies to military employees in a combat zone. Employees under CSRS are not eligible for matching contributions. FERS employees receive an "Agency Automatic Contribution" of one percent of base pay (this includes any locality pay adjustment and/or shift differential but does not include overtime or bonus pay) from the first day of employment, even if the employee does not contribute to the TSP. Additional matching contributions are made dollar-for-dollar for up to three percent of base pay, then at fifty percent for each additional percent up to five percent. Thus, an employee contributing five percent of pay would receive an additional five percent matching contribution (composed of the one percent automatic contribution and the four percent matching contribution). Contributions in excess of five percent are not matched, nor are "catch-up" contributions matched. Uniformed service members are currently not eligible for matching contributions. Participants may also rollover existing 401(k) or Individual Retirement Accounts into the TSP. Participants in the TSP have basically six different investment options. Up to two loans from the TSP account are allowed at a time and loans are repaid through payroll deduction just like a 401k. Retirees at age 70.5 must start withdrawing funds from the TRS. TRS participants who leave federal employment have various options, including leave their account with TRS, rolling the account over to an IRA or private 401k or making withdrawals.

United States Military Retirement - The U.S. military retirement system is arguably the best retirement deal around. Unlike most retirement plans, the Armed Forces offer a pension, with benefits, that starts the day you retire, no matter how old you are. That means you could start collecting a regular retirement pension as early as 37 years old. What's more, that pension check will grow with a cost of living adjustment each year. There is no "vesting" in the military retirement system. There is no special retirement accounts, no matching funds provision, no interest. You either qualify for retirement by honorably serving over 20 years in the military, or you do not. If you are discharged from the military with 19 years, 11 months, and 27 days of service, for example, you do not qualify for retirement pay (other than a few "early retirement" programs, which were designed to reduce the size of the armed forces).

The method used to calculate retired pay depends when the service member entered the service. However the different calculation methods all have a common thread: if you stay in the armed forces for 20 or more years, you are eligible to receive a pension based on a percentage of your basic pay, and if you stay in for a 40 years, you are eligible for 100% of your basic pay.

Military retirement can be fairly straight forward in a divorce unless the service member is disabled, then it gets very complicated. The Uniformed Services Former Spouses' Protection Act (USFSPA) 10 USC §1408 controls how military retirement is handled in a divorce. Generally speaking, military retirement is treated like a defined benefit pension and the same equations apply to determine which part of the retirement pay is community property. *Morris v. Morris*, 894 S.W.2d 859, 863 (Tex. App. - Fort Worth 1995, no writ).

A disabled service member can choose to receive Veterans Administration (VA) disability benefits and the amount of the VA disability benefit reduces the amount of retirement pay. VA disability benefits are not divisible as community property, so this election can reduce how much a former or divorcing spouse receives. *Limbaugh v. Limbaugh*, 71 S.W.3d 1, 17 (Tex. App. - Waco 2002, no pet.). The divorce court cannot order the service member to not make the election for VA disability benefits. *Loria v. Loria*, 189 S.W.3d 797, 799 (Tex. App. - Houston [1st Dist.] 2006, no pet.). As of January 1, 2004 service members who have a 50% disability rating or higher can receive full retirement pay and disability pay. 10 USC §1414(a). This is called Concurrent Retirement Disability Pay (CRDP). Combat-Related Special Compensation (CRSC) is payment for combat related disability and is in addition to VA disability pay. CRSC cannot be divided in a divorce. *Sharp v. Sharp*, 314 S.W.3d 22, 25 (Tex. App. - San Antonio 2009, no pet.).

Service members can participate in the federal Thrift Savings Plan (described above) but there is no employer matching of contributions.

A lawyer who gets involved in a divorce involving military retirement, should consult these sources:

- The most recent article by James Higdon on the subject of military retirement at the Advanced Family Law Course (most recent was 2007, Chapter 55).
- The American Bar Association section on Military law and its series of handouts called "Silent Partner." http://apps.americanbar.org/dch/committee.cfm?com=FL115277