

Teachers' Superannuation Fund



Newsletter

Retired Members

January 2017

Spousal Eligibility Changes Coming January 1, 2020

The pension provided to you by the Teachers' Superannuation Fund (TSF) is intended to provide retirement income not only for you, but also, upon your death, for your eligible spouse (and dependent children if applicable – see chart on back).

WHO IS AN ELIGIBLE SPOUSE?

- For retirees who pass away **before January 1, 2020**, there is no change. If a retiree has a spouse on the date of the retiree's death, that person will remain eligible for a spousal pension.
- For retirees who pass away **on or after January 1, 2020**, for a person to be eligible for a spousal pension, that person must be the spouse of the retiree on:
 - *January 1, 2020, and*
 - *the date the retiree deceased.*

On January 1, 2020, all retirees will be required to identify whether or not they have a spouse. A new spouse acquired after January 1, 2020, shall not be entitled to a spousal pension.

To satisfy the TSF's existing eligibility requirements, the three-year notice period will allow common-law couples, who wish to do so, to start filing income tax as spouses.

Existing Eligibility Requirements

For a person to be considered eligible for a spousal pension, that person must satisfy the Teachers' Superannuation Act's (TSA) definition of "spouse". The TSA defines "*spouse*" as an individual who:

- (i) *is married* to the pensioner;
- (ii) where the pensioner is not married to anyone, *is cohabiting* with the pensioner in a conjugal relationship and has done so continuously for a period of **at least three years; or**
- (iii) where the pensioner is not married to anyone, *is cohabiting* with the pensioner in a conjugal relationship and together they are the natural or adoptive parents of a child.

If married, a valid marriage certificate is required.

If cohabiting (i.e. living common-law), documentation is required proving that the couple:

- a) have been **claiming each other as spouses for income tax purposes** for the most recent three-year period;
or
- b) were together the natural or adoptive parents of a child (supported by the long-form adoption form or birth certificate).

If you are in a common-law relationship and wish to have your partner qualify as a spouse under the TSF, you should be mindful of the three-year co-habitation requirement and the impending January 1, 2020 changes.

Summary of Survivor Benefits

When a retiree passes away, their eligible spouse and/or dependent children are entitled to a survivor pension. The manner in which these benefits are paid depends on the retiree's family structure at time of the retiree's death.

SURVIVOR(S)	BENEFIT ENTITLEMENT	FREQUENCY/DURATION
No surviving Spouse or <i>Dependent Children</i> *	Refund to retiree's estate.	Lump-sum payment to member's estate
Eligible Spouse Only (no dependents)	60% of retiree's pension	Payable monthly to spouse for life
Eligible Spouse <i>AND</i> <i>Dependent Children</i>	60% of retiree's pension <i>PLUS</i> 10% of the retiree's pension to each <i>dependent child</i> , to a maximum of four dependents at any given time	Payable monthly to spouse for life Payable monthly to dependents as long as they satisfy the <i>dependent child</i> definition
<i>Dependent Children</i> Only (no spouse)	60% of retiree's pension to oldest dependent child (or guardian) <i>PLUS</i> 10% of the retiree's pension to each remaining <i>dependent child</i> to a maximum of four dependents at any given time	Payable monthly to dependent as long as they satisfy the <i>dependent child</i> definition Payable monthly to dependents as long as they satisfy the <i>dependent child</i> definition

***Dependant Children are:**

- Under 18;
- Under 25 and attending an institution of learning full-time; or
- 18 or older and financially dependent on the member by reason of mental or physical disability

Please Note – The TSF has a new *Minimum Pension Guaranteed Amount* which equals 1.5 times the member's contributions plus interest as of the date of retirement **less** the total of all pension payments to the retiree, surviving spouse and dependent children. Any guaranteed amount is payable to the estate.

Other Information - Collection of Overpayments

The Teachers' Superannuation Fund (TSF) Commission now has specific authority to collect any overpayments made to retirees.

Effective January 1, 2017, the TSA was amended to provide specific authority for the TSF Commission to collect overpayments made to members from the TSF, regardless of how the overpayment arose. However, as in the past, the TSF Commission is open to reasonable repayment arrangements.

PENSIONS & BENEFITS

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