

Disability Pensions

- Disability pensions, which are identified with a 3 in box 7 of the 1099-R, which have taxpayer after-tax contributions, are not adjusted with the simplified method until the annuitant attains the minimum age for retirement without a disability.
- The minimum age for retirement is generally based on age and length of service.
- If the employer is one of the following, the minimum age is given. Otherwise, you must rely on the taxpayer's information.

Years of Service	Retirement Age
Civil Service Retirement System (CSRS)	
5	62
20	60
30	55
Federal Employees Retirement System (FERS)	
5	62
10	55
Railroad Retirement Board (RRB)	
5	62
30	60

- If the minimum retirement age has not been attained, then the distribution is 100% taxable, but on the input screen is a checkbox to check "to report on Form 1040, Line 1h". This would treat the distribution as earned income which may have tax advantages, like qualifying the taxpayer for credits.