



How Divorce Affects Your Wisconsin Retirement System (WRS) Benefits – for Annuitants

A Your Benefits in Retirement topic

Objectives

By the end of this presentation, you will be able to:

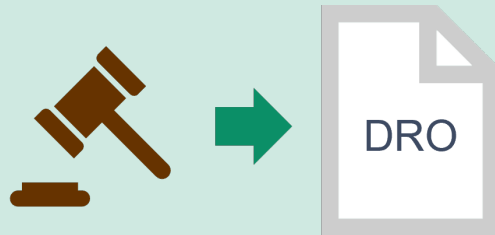
- Define and explain terms involved with a domestic relations order and your WRS Retirement Benefit
- Explain how WRS Retirement Benefit account splits affect annuitants and annuities
- Submit a valid domestic relations order
- Update or complete a beneficiary form for your WRS Benefits
- Find resources on the ETF website



Definitions

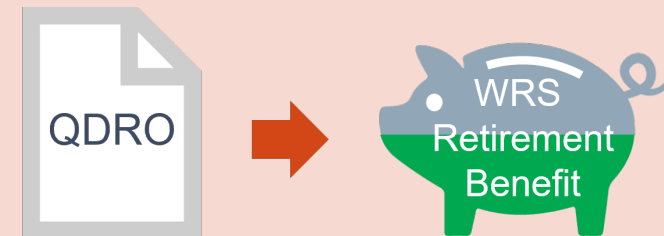
Domestic Relations Order (DRO)

Domestic Relations Order (DRO)



A judgement, order or decree issued by a court to divide a WRS account after a marriage termination (up to 50%)

Qualified Domestic Relations Order (QDRO)



A domestic relations order that has been qualified (officially recognized) and accepted by the Department of Employee Trust Funds

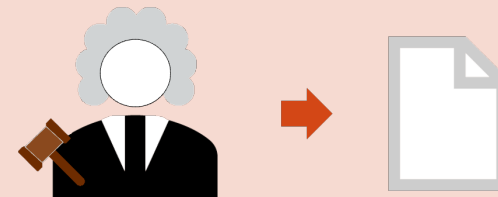
Alternate Payee & Decree

Alternate Payee



Ex who will receive the decreed
WRS Retirement Benefit

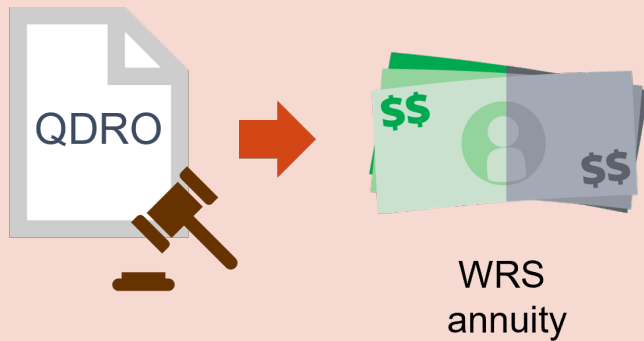
Decree



Official order by the court that
awards percentage of retirement
benefit to alternate payee

Are DROs Required?

QDRO Requires Split



ETF must split your account and divide your WRS annuity

Other Options



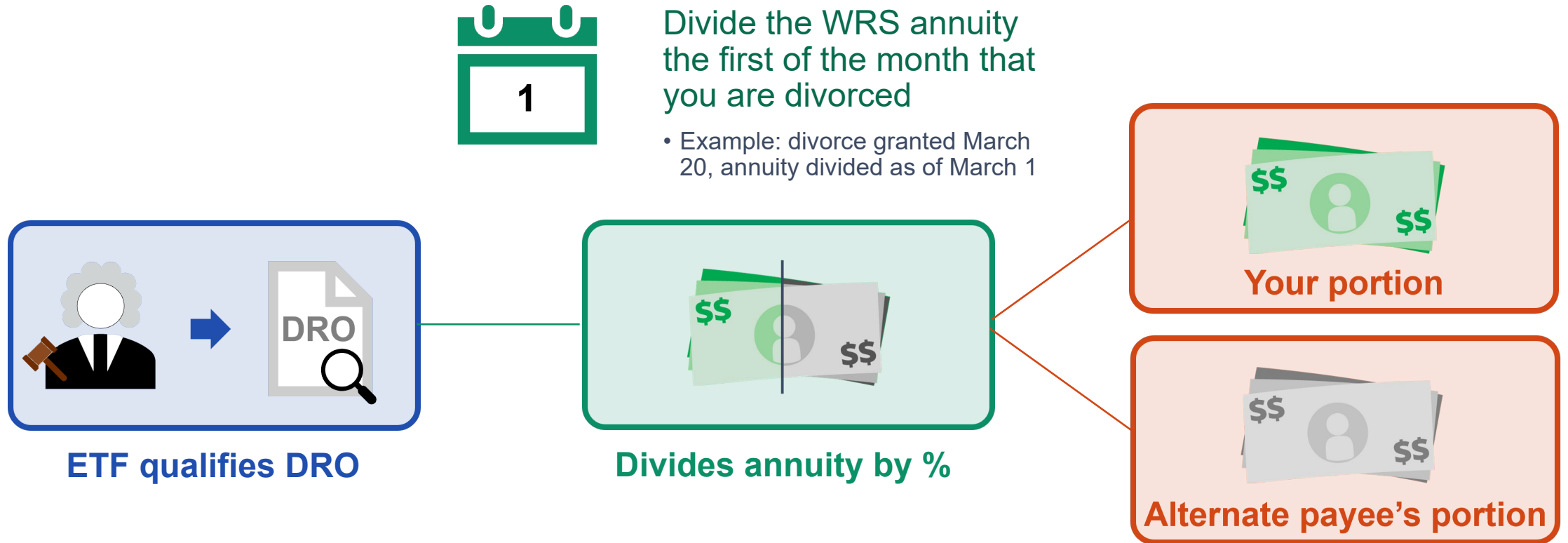
Speak with your lawyer about other options



What Happens to Your Annuity

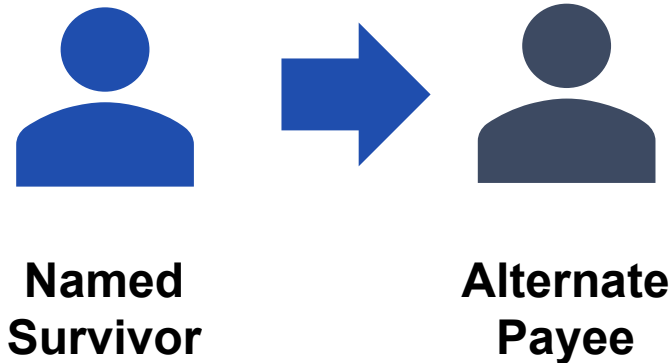
Because of a divorce

DRO & Annuity Division Process



If Your Named Survivor was Your Spouse

Once the account is divided according to the QDRO:



Receives same payment option member receives

Annuity Option Changes

Life Annuity Options

- For Annuitant's Life Only
- Life with 60 Payments Guaranteed
- Life with 180 Payments Guaranteed

Stay the same

Joint and Survivor Annuity Options

- 75% Continued to Named Survivor
- 100% Continued to Named Survivor
- Reduced 25% on Death of Annuitant or Named Survivor

For Annuitant's Life Only

100% Continued to Named Survivor with 180 Payments Guaranteed

Life with 180 payments Guaranteed

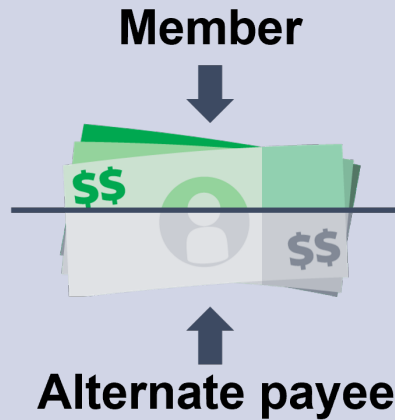
Annuity Certains

Stay the same

Alternate Payee receives same payment option member receives

Accelerated Payments

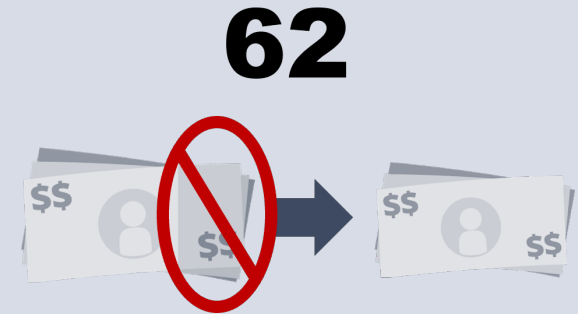
Accelerated payment is split



Member accelerated portion stops



Alternate payee accelerated portion stops



Documents Mailed by ETF

Annuitant

- 📄 *Annuity Correction Notice (ET-4902)*
- 📄 *Beneficiary Designation (ET-2320)*
 - Only with guaranteed payments

Alternate Payee

- 📄 *Notice to Alternate Payee of WRS Annuity Payments (ET-4922)*
- 📄 *Beneficiary Designation (ET-2320)*
 - Only with guaranteed payments
- 📄 *Wisconsin Tax Withholding Election for WRS Annuity Payments (ET-4337)*
- 📄 *IRS Form W-4P*
- 📄 *Direct Deposit Authorization (ET-7282)*



Submitting a DRO

How to make sure your DRO is valid

ETF's DRO Forms

- May receive from court or lawyer
- ETF website: etf.wi.gov
- Search:
 - [How Divorce Can Affect Your WRS Benefits](#)
 - [Order to Divide WRS Benefits \(ET-4926\)](#)
 - [Foreign Jurisdiction Order to Divide WRS Benefits \(ET-4935\)](#)

The image shows two overlapping forms from the Wisconsin Department of Employee Trust Funds. The top form is ET-4926, titled "Order to Divide Wisconsin Retirement System Benefits". It includes sections for "Petitioner" and "Respondent" information, "Employer Information", and "Termination of Marriage or Domestic Partnership". The bottom form is ET-4935, titled "Foreign Jurisdiction Order to Divide Wisconsin Retirement System Benefits". It includes sections for "Participant and participant's employer" information, "Termination of marriage or domestic partnership", and "Complete each section for the Participant and Alternate Payee". Both forms have a "To:" section for the Wisconsin Department of Employee Trust Funds and a "Name and Address of Court:" section. The forms are dated REV 10/2/2019 and REV 7/26/2019 respectively.

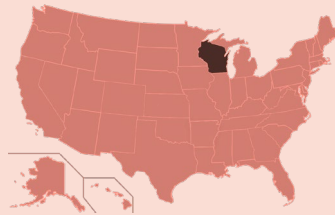
Use ETF's Form

Wisconsin Courts



Order to Divide
WRS Benefits
(ET-4926)

Other States or Territories



Foreign
Jurisdiction
Order to Divide
WRS Benefits
(ET-4935)

Unaltered Original or a Copy



Signed by a
judge or have a
court
certification
stamp

Draft orders will be rejected



Your Responsibilities

Submit the DRO ASAP

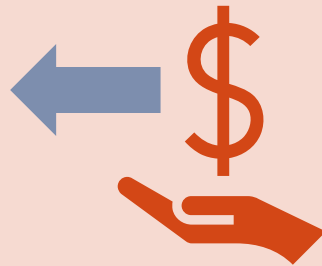
DRO Received



Send in timely manner

When it is received can affect when it is processed

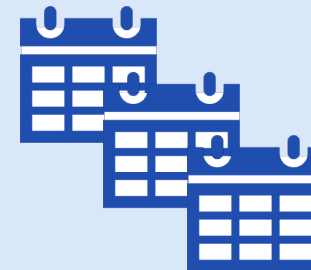
Avoid Back Payments



If you receive a payment after the date of the decree, you will have to pay back part of your payment

ETF has no control over any payments made outside of your QDRO

Long Process



It can take several months for ETF to complete this process

Update Your Information

WRS Retirement Benefit & WRS Life Insurance



Beneficiary Designation



ETF

Update your beneficiary form to have your ex-spouse removed as beneficiary

WRS Health insurance



ETF

Members must notify ETF to have ex-spouse removed

Wisconsin Deferred Compensation Plan



Beneficiary Designation



WDC

Update your beneficiary form to have your ex-spouse removed as beneficiary

Alternate Payees Only

Submit Forms to ETF

- Direct Deposit Authorization (ET-7282)
- IRS Form W-4P
- Wisconsin Tax Withholding Election for WRS Annuity Payments (ET-4337)

Need to receive annuity

Notify ETF of Change of Address



ET-2815

Address/Name Change

Receive payment and info

Designate a Beneficiary



ET-2320

Beneficiary Designation

Forms on website etf.wi.gov

Cancel Variable Fund



ET-2313

Canceling Variable Participation

Optional – portion of payment

Annuity Payment Statement in Mail

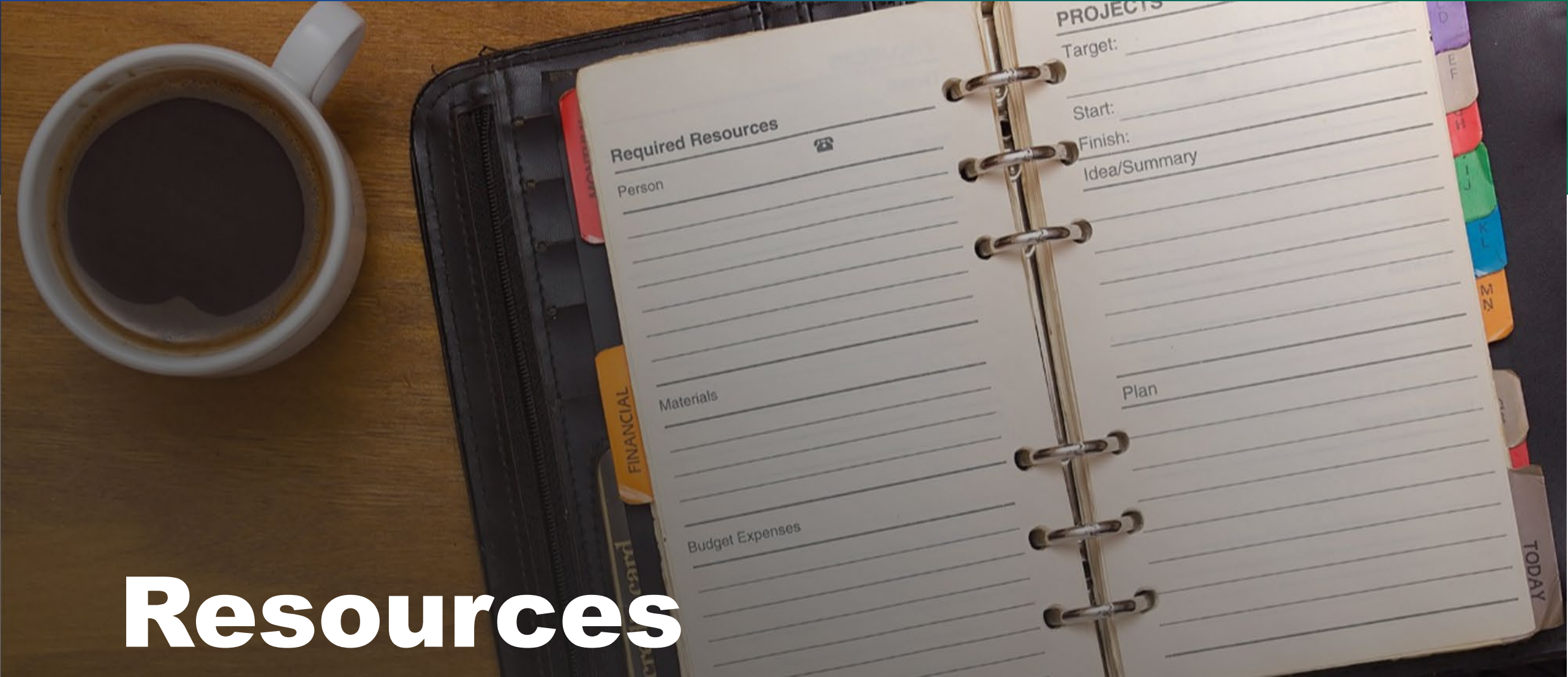


Identifies changes in payment amount

Find out how your benefits work



Go to etf.wi.gov



Resources

How Divorce Can Affect Your WRS Benefits Page

Information about topic

Links to DRO documents

Link to DRO directions page

Related resources

The screenshot shows the ETF website's navigation bar with links for Benefits, Retirement, WRS Performance, News, Member Education, and Employers. The breadcrumb trail is: Home / Benefits / Life Changes and My Benefits / How Divorce Can Affect Your WRS Benefits. The main heading is "How Divorce Can Affect Your WRS Benefits" with a sub-heading "A divorce's financial impact can have long lasting effects". The main content area includes a paragraph: "The court may order ETF to give your ex up to 50% of your WRS benefits (WRS account or annuity). This court order is called a Qualified Domestic Relations Order (QDRO)." followed by a section "Important Points for Everyone to Know" with three bullet points: "We divide your account on the first of the month that you are divorced. For example, if your divorce is granted on March 20, your account is divided as of March 1.", "Turn your QDRO in to ETF as soon as possible to avoid back payments.", and "Know who your WRS beneficiaries are. You may or may not want your ex as your beneficiary. You can call us to ask who they are or file a new form to set them the way you want." The third bullet point also includes "Fill out the Beneficiary Designation (ET-2320) form or Beneficiary Designation—Alternate (ET-2321) form to make sure you have the correct beneficiary chosen." On the right side, there are sections for "Related Resources" with links to "How Divorce Can Affect Your WRS Benefits (ET-4925)", "Order to Divide WRS Benefits (ET-4926)", and "Foreign Jurisdiction Order to Divide WRS Benefits (ET-4935)", and a "Benefits" section with a dropdown menu.

My Info Page

Links to important pages and info

Update your address

Update your bank info

Update or designate your beneficiary

My Info
Update your personal information and take action for your benefits

Use the resources on this page to complete a task or take action for your retirement, health and other benefits. ETF does not currently offer online access to members' WRS benefits and account information. This development is a part of our ongoing modernization efforts. We apologize for any inconvenience.

Click on the name of a task to be taken to its description and link. Click on Back to Top to return to this list.

- [Apply for Retirement](#)
- [Enroll or Make Changes to My Health Benefits](#)

Related Resources

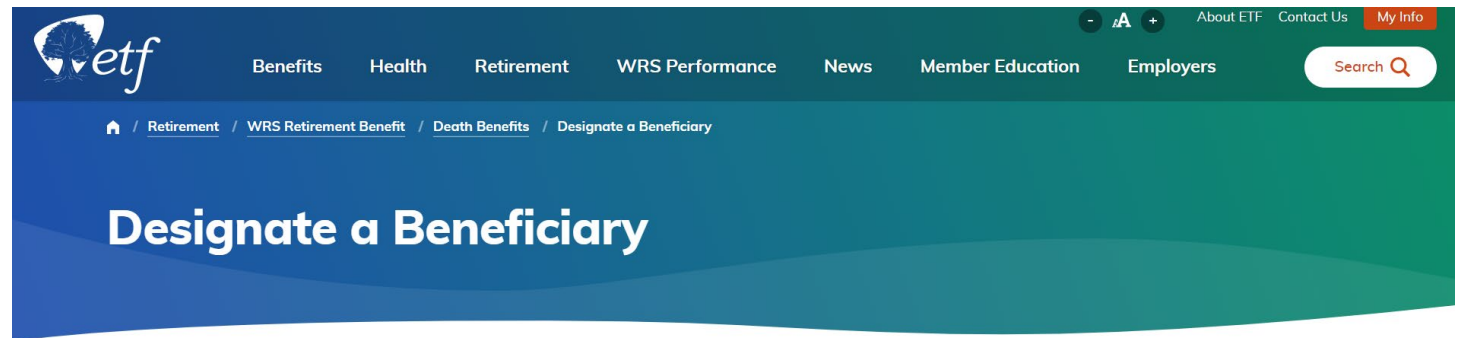
- [My ETF Member ID](#)
- [My Statement of Benefits \(WRS Account\)](#)
- [Life Changes and My Benefits](#)
- [Policy and Privacy Notices](#)

Designate a Beneficiary Page

Detailed information

Links to the forms

Resources to help fill out forms



A beneficiary is a person(s) or entity you name to receive benefits upon your death.

You may name:

- An individual (or multiple individuals)
- An entity (such as a charity, business, religious organization, funeral home, etc.)
- A Trust
- Your Estate

Make sure ETF knows who you want to receive your WRS assets upon your death by keeping your beneficiary designation up-to-date. Benefits are always paid based on the most recent and valid beneficiary designation received at ETF before your death. Benefits will not be paid according to your Last Will and Testament.

Related Resources

[Beneficiary Designation \(ET-2320\)](#)

[Beneficiary Designation – Alternate \(ET-2321\)](#)

[WDC Online Beneficiary Form](#)

[How To Fill Out Beneficiary Designation \(ET-2320\)](#)

[How To Fill Out Beneficiary Designation \(ET-2321\)](#)

Watch videos about your topic online at:

etf.wi.gov

Click Member Education →

Videos



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The Department of Employee Trust Funds has made every effort to ensure that this presentation is current and accurate. However, changes in the law or processes since the last revision to this presentation may mean that some details are not current. Please contact ETF if you have any questions about a particular topic in this presentation.