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STATE OF VERMONT
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NEWS RELEASE

For Immediate Release – February 1, 2012

Treasurer's Office Reissues 1099-R Forms to Resolve Printing Error

MONTPELIER, Vt.—The Vermont State Treasurer's Office is reissuing 1099-R forms to a group of retirement system members who recently received forms which contained two items of information printed in the wrong boxes. A letter alerting the members to the error will be mailed today.

The reissuance impacts approximately 8,700 people. The retirement accounts are from the Vermont State Employees', Vermont State Teachers', and Vermont Municipal Employees' Retirement Systems. The forms were mailed on or before January 30. The 2011 1099-R is the tax statement for retirees and others receiving payments through the retirement system that is generated and distributed by the retirement division each January. The printing error impacted members who had state taxes withheld in 2011 from their payments associated with their retirement benefits.

"On the same day the printing error was recognized, we worked immediately to identify those members who were impacted," said State Treasurer Beth Pearce. "Today, we are sending each affected person a letter alerting them to the error and letting them know that a corrected 1099-R form is going into the mail this week."

"While the error did not affect any of the dollar amounts, including gross distributions, taxable distributions and actual dollars withheld, the printing issue could cause confusion for our customers as they file their taxes. In addition to notifying the individuals, we also are in contact with employee and retiree associations, tax preparation organizations and the Vermont Society of CPAs," continued Pearce. "Our first priority is to resolve this quickly for our retired public employees, teachers and other impacted customers. We are very sorry for any difficulty this error has caused them."

Pearce also stated that the office is taking appropriate personnel and internal control measures to assure that this does not re-occur in the future.

The error involved placement of the information in the wrong box on the form. The dollar amount shown in box 10 should instead have been printed in box 12. Box 13, which was blank, should instead have had a VT code assigned by the State of Vermont. While all of the printed numbers were correct, in these instances, they were printed in the wrong boxes.

The printing error impacted approximately half of the more than 17,000 1099-R forms printed and distributed by the retirement division. Unless someone receives a letter advising that a corrected form is being sent, the person should use the 1099-R form first received in the mail from the Treasurer's Office to prepare their 2011 taxes. The Treasurer's Office does, however, recommend that anyone with questions regarding the 1099-R form contact the retirement division by calling (802) 828-2305 or toll free in Vermont at 1 (800) 642-3191.