



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
77 K Street, NE Washington, DC 20002

FOR IMMEDIATE RELEASE

April 11, 2012

**FEDERAL RETIREMENT THRIFT INVESTMENT BOARD ANNOUNCES
THE LAUNCH DATE FOR NEW ROTH TSP OPTION**

Washington, D.C. -- The Federal Retirement Thrift Investment Board announced today at its quarterly inter-agency meeting of Thrift Savings Plan (TSP) coordinators that May 7, 2012 will be the day that the TSP will begin to accept Roth TSP contributions. The Roth TSP was authorized by the Thrift Savings Plan Enhancement Act of 2009, which was enacted on June 22, 2009, and will allow Federal civilian employees and members of the uniformed services to contribute after-tax dollars into the TSP for the first time. Both the contributions and their earnings will be tax-free when withdrawn, as long as IRS requirements are met.

According to Greg Long, Executive Director of the Agency, "the Roth TSP option offers an important new tool for Federal civilian employees and uniformed service members in managing their retirement income by providing greater flexibility in the tax treatment of contributions now and in the future." Long noted that the Agency will continue to provide participants and agencies with educational materials to help them understand this new option but, as with all tax matters, participants should seek the advice of their qualified tax or financial advisers for answers to questions pertaining to their specific tax situation.

The Agency has been sharing Roth TSP planning bulletins with agency and service payroll and personnel representatives since December 2010 to provide them with the information they require to be able to program their payroll systems to accept and transmit pre-tax and after-tax money. The Agency is aware that not all agencies or services have completed the technical and programmatic modifications of their payroll systems required to

implement Roth TSP. These agencies or services will require additional time to modify their payroll systems and will be able to begin participation in Roth as soon after May 5, 2012 as they are able.

With the addition of the Roth TSP option, participants can choose to invest pre-tax or after-tax dollars in any of the TSP funds, up to the Internal Revenue Code limits. TSP participants can currently invest in ten different funds: the five Lifecycle (L) Funds, the Government Securities (G) Fund, and the four broadly diversified stock and bond funds - the Fixed Income Index Investment (F) Fund, the Common Stock Index Investment (C) Fund, the Small Capitalization Index Investment (S) Fund, the International Stock Index Investment (I) Fund.

The TSP is a retirement savings plan for Federal employees; it is similar to the 401(k) plans offered by many private employers. As of March 2012, TSP assets totaled approximately \$308 billion, and retirement savings accounts were being maintained for roughly 4.5 million TSP participants. Participants include Federal civilian employees in all branches of Government, employees of the U.S. Postal Service, and members of the uniformed services. Additional information can be found at www.tsp.gov.

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