



May 20, 2024

Retirement

Dear Reader:

The following document was created from the CTAS website (ctas.tennessee.edu). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Retirement

Reference Number: CTAS-181

Title 8, Chapter 35 of the *Tennessee Code Annotated* contains the statutory framework for counties to participate in the Tennessee Consolidated Retirement System (TCRS). The county legislative body may authorize all of its employees in all of its departments to participate in the TCRS with the county making the employer's contribution into the TCRS.^[1] Membership is then optional for each employee presently employed at the date of approval of membership by the board of trustees of the TCRS, and is mandatory for all eligible employees entering the employment of the county after that date.^[2] The county legislative body may make certain elections for coverage of its employees, such as cost-of-living benefits.^[3] Special rules apply for participation in the TCRS by county officials.^[4]

A county may set a mandatory retirement age for members of the TCRS retirement system who are employed as firefighters or law enforcement officers. If these employees are in a supervisory or administrative position, they must be allowed to continue in service until they reach the age at which they are eligible for federal Social Security benefits. Any member who serves as chief of a fire department or police department may continue in service beyond the age at which the person is eligible for federal Social Security benefits.^[5]

These retirement statutes are complex, and amendments are made to these statutes by the General Assembly each year. The staff and legal counsel for the TCRS are available to help county officials with questions concerning the retirement program and to help individual participants with benefits questions.

Under T.C.A. § 8-25-101 *et seq.* and § 8-25-304, counties are authorized to offer their employees tax-deferred compensation plans, which includes plans under § 457 and § 401(k) of the Internal Revenue Code. These plans allow a reduction of salary so that pretax dollars can be used to fund retirement savings accounts.

The Tennessee Consolidated Retirement System (TCRS) has a Web site containing employer manuals and forms and other useful information for employers and employees concerning the state retirement system. The TCRS office is located at 502 Deaderick Street on the 15th Floor of the Andrew Jackson Building in Nashville, Tennessee 37243-0201. The office may be reached by telephone at (800) 922-7772.

[1] T.C.A. § 8-35-201.

[2] T.C.A. § 8-35-203.

[3] T.C.A. §§ 8-35-207, 8-35-208.

[4] See T.C.A. §§ 8-35-109, 8-35-116.

[5] T.C.A. § 8-36-205.

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