



United States
Office of Personnel Management
Retirement and Insurance Service

Benefits Administration Letter

Number: 98-108

Date: May 12, 1998

Subject: SF 3106, Application for Refund of Retirement Deductions under the Federal Employees Retirement System (FERS)

Background: The Office of Retirement Programs is receiving an increasing number of SF 3106's, Application for Refund of Deductions under the Federal Employees Retirement System, that are not the most recent version of the form and/or are incomplete. Versions of the SF 3106 dated before March 1996 are not usable. A recent review of 1,000 applications for refund showed that 73.7% were obsolete versions of the form. In an effort to improve our service in paying FERS refunds, effective October 1, 1998, we will only accept the March 1996 version of the SF 3106.

When an obsolete form is used or the application is incomplete, we must delay authorizing payment until we can obtain all the information we need. One problem we encounter very often relates to income tax withholding information. Another problem relates to roll-over information for the interest portion of the refund. Spousal notification requirements are yet another problem area.

Chapter 32 of the *CSRS and FERS Handbook for Personnel and Payroll Offices* gives detailed information about eligibility requirements and procedures for lump-sum refunds.

Agency Role: We encourage agency personnel to review each application to ensure that the most recent version of the form is being used and that ALL questions on the form have been completed before sending the SF 3106 to us. Please pay particular attention to the items concerning Federal income tax withholding and spousal notification.

*Civil Service
Retirement
System*

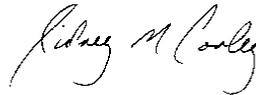
*Federal Employees
Group Life
Insurance*

*Federal Employees
Health Benefits
Program*

*Federal Employees
Retirement
System*

OPM's Goal:

Our goal is to provide accurate and timely service to all customers. Our ability to achieve this goal in paying refunds depends on the quality of the information on the application forms. We appreciate your assistance to us and to your employees in this important matter.

A handwritten signature in cursive script that reads "Sidney M. Conley".

Sidney M. Conley
Assistant Director
for Retirement Programs