

upon information received before payment, bars any claim by any other person.

§ 1651.19 Beneficiary participant accounts.

(a) *Initial investment allocation.* Each beneficiary participant account, once established, will be allocated to the TSP core funds in which the deceased participant's account balance was invested on his or her date of death. A beneficiary participant may redistribute his or her beneficiary participant account balance among the TSP core funds by making a fund reallocation or fund transfer request described in part 1601, subpart C, of this chapter. A beneficiary participant may move a portion of his or her beneficiary account balance from the TSP core funds to the mutual fund window by making a fund transfer request described in part 1601, subpart F.

(b) *Contributions.* A beneficiary participant may not make contributions or rollovers to his or her beneficiary participant account. The TSP record keeper will not accept an investment election request described in part 1601, subpart B, of this chapter for a beneficiary participant account.

(c) *Required minimum distributions.* (1) A beneficiary participant must receive required minimum distributions from his or her beneficiary participant account commencing no later than the required beginning date and, for each year thereafter, no later than December 31.

(2) A beneficiary participant may elect to withdraw from his or her account or to begin receiving payments before the required beginning date, but is not required to do so.

(3) In the event that a beneficiary participant does not withdraw from his or her beneficiary participant account an amount sufficient to satisfy his or her required minimum distribution for the year, the TSP record keeper will automatically distribute the necessary amount on or before the applicable date described in paragraph (c)(1) of this section.

(4) The TSP record keeper will disburse required minimum distributions described in paragraph (c)(3) of this section pro rata from the beneficiary

participant's traditional balance and the beneficiary participant's Roth balance.

(d) *Withdrawal elections.* A beneficiary participant may elect any withdrawal option is available to separated participants. The provisions of §1650.12, §1650.13, and §1650.14 shall apply as if all references to a participant are references to a beneficiary participant and all references to an account balance are references to a beneficiary participant account balance.

(e) *Ineligibility for certain withdrawals.* A beneficiary participant is ineligible to request the following types of withdrawals from his or her beneficiary participant account: Age-based withdrawals described in §1650.31 of this chapter, financial hardship withdrawals described in §1650.32 of this chapter, or loans described in part 1655 of this chapter.

(f) *Spousal rights.* The spousal rights described in 5 U.S.C. 8351, 5 U.S.C. 8435, and §1650.61 of this chapter do not apply to beneficiary participant accounts.

(g) *Rollovers.* A beneficiary participant may request that the TSP record keeper roll over all or a portion of an eligible rollover distribution (within the meaning of I.R.C. section 402(c)) from his or her beneficiary participant account to a traditional IRA, Roth IRA or eligible employer plan (including a civilian or uniformed services TSP account other than a beneficiary participant account) in the form and manner prescribed by the TSP record keeper.

(h) *Periodic statements.* The TSP or its record keeper will furnish beneficiary participants with periodic statements in a manner consistent with part 1640 of this chapter.

(i) *Privacy Act.* Part 1630 of this chapter shall apply with respect to a beneficiary participant as if the beneficiary participant is a TSP participant.

(j) *Error correction.* If, because of an error committed by the Board or the TSP record keeper, a beneficiary participant's account is not credited or charged with the investment gains or losses the account would have received had the error not occurred, the account will be credited subject to and in accordance with the rules and procedures

set forth in §1605.21. A beneficiary participant may submit a claim for correction of Board or TSP record keeper error pursuant to the procedures described in §1605.22.

(k) *Court orders.* Court orders relating to a civilian beneficiary participant account or uniformed services beneficiary participant account shall be processed pursuant to the procedures set forth in part 1653 of this chapter as if all references to a TSP participant are references to a beneficiary participant and all references to a TSP account or account balance are references to a beneficiary participant account or beneficiary participant account balance. Notwithstanding any provision of part 1653, a payee of a court-ordered distribution from a beneficiary participant account cannot request a rollover of the court-ordered distribution to an *eligible employer plan or IRA*.

(l) *Death of beneficiary participant.* To the extent it is not inconsistent with this §1651.19, a beneficiary participant account shall be disbursed upon the death of the beneficiary participant in accordance with part 1651 as if any reference to a participant is a reference to a beneficiary participant. For example, a beneficiary participant may designate a beneficiary for his or her beneficiary participant account in accordance with §§1651.3 and 1651.4. No individual who is entitled to a death benefit from a beneficiary participant account shall be eligible to keep the death benefit in the TSP or request that the TSP record keeper roll over all or a portion of the death benefit to an IRA or eligible employer plan.

(m) *Uniformed services beneficiary participant accounts.* Uniformed services beneficiary participant accounts are subject to the following additional rules and procedures:

(1) Uniformed services beneficiary participant accounts are established and maintained separately from civilian beneficiary participant accounts. Beneficiary participants who have a uniformed services beneficiary participant account and a civilian beneficiary participant account will be issued two separate TSP account numbers. A beneficiary participant must submit separate fund allocation, fund transfer, re

and/or TSP withdrawal requests for each account and submit separate beneficiary designations for each account;

(2) A uniformed services beneficiary participant account and a civilian beneficiary participant account cannot be combined;

(3) If a uniformed services beneficiary participant account contains tax-exempt contributions, any payments or withdrawals from the account will be distributed pro rata from the tax-deferred balance and the tax-exempt balance;

(4) A beneficiary participant may roll over all or any portion of an eligible rollover distribution (within the meaning of I.R.C. section 402(c)) from a uniformed services beneficiary participant account into a civilian or uniformed services TSP participant account. However, tax-exempt money attributable to combat zone contributions cannot be rolled over from a uniformed services beneficiary participant account to a civilian TSP participant account.

(n) *Multiple beneficiary accounts.* Each beneficiary participant account is maintained separately from all other beneficiary participant accounts. If an individual has multiple beneficiary participant accounts, each of the individual's beneficiary participant accounts will have a unique account number. A beneficiary participant must submit separate fund reallocation, fund transfer, and/or TSP withdrawal requests and submit separate beneficiary designations for each beneficiary participant account that the TSP maintains for him or her. A beneficiary participant account cannot be combined with another beneficiary participant account.

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PART 1653—COURT ORDERS AND LEGAL PROCESSES AFFECTING THRIFT SAVINGS PLAN ACCOUNTS

Subpart A—Retirement Benefits Court Orders

Sec.
1653.1 Definitions.