

Glossary of TSP Terms

After-tax Contribution: Contributions made from Service Member pay that has been taxed (Roth).

Automatic Contribution: Contributions made by each branch of service to the TSP accounts of service members covered under the Blended Retirement System. Contributions begin after 60 days of service and equal 1% of service member's basic pay each pay period. See 'vesting' for additional, related information.



Automatic Enrollment: Automatic participation in the TSP by service members covered under the Blended Retirement System through which 5% of their basic pay is contributed to their TSP account each pay period.

Catch-up Contributions: Contributions by participants in excess of the basic annual deferral limit which are available only to those 50 years old or older. The IRS sets the limit on these contributions annually.



Pretax Contributions: Contributions of pay that have not yet been taxed. All employee contributions to a TSP Traditional account are made pretax.

Securities: Investments that can be bought and sold through various markets.

Vesting: The time in service a TSP participant must have in order to keep automatic contributions and earnings.

Additional Resources

TSP Website: tsp.gov

TSP Thriftline: 1-TSP-YOU-FIRST
(1-877-968-3778)

YouTube: @TSP4gov

X: @tsp4gov

Defense Finance and Accounting Service (DFAS): dfas.mil - search "TSP"

FINRA: finra.org

Federal Trade Commission (FTC): ftc.gov

Federal Deposit Insurance Corporation (FDIC): fdic.gov

Office of Financial Readiness (FINRED): finred.usalearning.gov



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EGLIN AFB
Military & Family
Readiness Center

THRIFT SAVINGS PLAN

PERSONAL FINANCIAL READINESS PROGRAM

96FSS/FSH

📍 502 W Van Matre Ave
Bldg. 205

📞 (850) 882-9060
DSN: 872-9060

📅 Mon-Fri | 7:30 AM - 3:30 PM



EGLINFSS.COM

Plan Overview

The Thrift Savings Plan (TSP) is a retirement savings and investment plan for federal employees and uniformed Service members. It can provide you an additional source of retirement funds even if you don't retire from the military.

Participation Rules

All service members are eligible to participate in the TSP

Service members can contribute up to 100% of base pay, special pay, and bonus pay up to a maximum annual contribution amount (\$23,000* in 2024)

*Subject to change annually



Blended Retirement System Unique Features

Participants are automatically enrolled in TSP at contribution level of 5% of base pay (can be changed)

Participants are eligible for service-provided automatic and matching contributions (all pretax, Traditional)

Service-provided automatic contributions vest (become the property of the Service member) after two years of service

Traditional

Contribution: Pretax

Take-Home Pay: Taxes are deferred, so less money is taken out of your paycheck.

Transfers In: Transfers allowed from eligible employer plans and traditional IRAs.

Transfers Out: Transfers allowed to eligible employer plans, traditional IRAs and Roth IRAs, after separation.

Withdraws After Separation: Taxable when withdrawn. A 10% penalty may also apply if under age 59.5 and certain criteria are not met.

Roth

Contribution: After-Tax

Take-Home Pay: Taxes are paid up front, so more money comes out of your paycheck.

Transfers In: Transfers allowed from Roth 401(k), Roth 403(b) and Roth 457(b) accounts.

Transfers Out: Transfers allowed to Roth 401(k), Roth 403(b), Roth 457(b) and R

Withdraws After Separation: Contributions are tax-free when withdrawn. Earnings are tax-free if withdrawn after 59.5 and it has been five years since January 1 of the year you make your first Roth contribution, or you are permanently disabled or deceased. A 10% penalty may also apply if under age 59.5 and certain criteria are not met.



Investment Options

G Fund: Government securities (specifically issued to the TSP)

F Fund: Government, corporate, and mortgage-backed bonds

C Fund: Stocks of large and medium-sized U.S. companies

S Fund: Stocks of small to medium-sized U.S. companies (not included in C fund)

I Fund: International stocks of more than 20 developed countries

L Funds*: Invested in the G, F, C, S, and I Funds

***Each of the L Funds is invested in the individual TSP funds (G, F, C, S, and I). The proportion of your L Fund balance invested in each of the individual TSP funds depends on the L Fund you choose.**

Source: tsp.gov/funds-individual and tsp.gov/funds-lifecycle