UNITED STATES OFFICE OF PERSONNEL MANAGEMENT RETIREMENT PROGRAMS P.O. BOX 579 WASHINGTON, DC 20044-0579

Information and Instructions for Completing the Annuitant's Report of Earned Income

Please complete and return this form only if:

- 1. You had earned income for the calendar year 1995; (6*)
- 2. You are a Federal Employees Retirement System retiree receiving an award of monthly Social Security disability benefits; or
- 3. You have been reemployed in the Federal service after you separated for disability retirements.....

What To Report As Earned Income - All income from wages and self-employment plus deferred income you actually earned between January 1 and December 31 of the past year, as explained below.

- Income from wages is any gross pay, salary, bonus, or award you received for working for someone else (including overtime, vacation pay, etc.) before any withholdings or deductions.
- If your W-2 shows different amounts for "Wages, tips, other compensation" and "Social Security wages," enter the higher
 amount on the Report of Earned Income. If you have more than one W-2, add the amounts shown and report the total.
- Deferred income for "restored to earning capacity" determination is any income, cash or property, where you have the
 option of receiving or deferring receipt until sometime in the future. In short, if you voluntarily defer a portion of your earnings,
 that income is still considered for earning capacity purposes. Even if deferred income is not subject to income tax until a
 future year, it is still counted as earning capacity in the year in which it is earned.
- Income from self-employment is any net profit you made from working or managing your own business, whether at home or
 elsewhere. Net profit is the amount remaining after deduction for business expenses and before deduction of any personal
 expenses or exemptions as allowed by the Internal Revenue Service. A net loss from self-employment in one business may
 not offset 1) income from wages and 2) income from another self-employment endeavor, unless the two businesses are
 interrelated components of a single enterprise.
- · Income resulting from personal services such as rents, royalties, etc.
- · Interest or dividends resulting from your own trade or business.
- Do not deduct business expenses from wages or commission you receive for working for someone else.
- If you are reemployed in the Federal service, you must report the gross amount of your salary. Your agency should be
 deducting the gross amount of your annuity from your salary.

If all or a portion of your income was derived from a partnership, corporation, or sole proprietorship, please complete form RI 30-2 and enclose a detailed explanation, including the following items: income you received directly from wages, fringe benefits, and employee expenses; gross revenue and pre-tax profit of the enterprise; number of workers employed (if a partnership, give the number of partners); your role or position and hours worked; the principle product produced or service supplied; and your total cash investment and percentage of ownership in the enterprise (include your individual share plus shares held by immediate family members). Report separately income received from independent businesses and salary received from working for someone else. Please write your CSA claim number on your explanation.

What Not To Report As Earned Income - Any income from the following sources:

- · Pensions or annuities
- Gifts
- · Social Security proceeds
- Insurance proceeds
- Unemployment compensation
- Money which you earned before retirement
- Inheritances
- Capital gains
- Non-employment prizes or awards
- · Fellowships or scholarships
- · Business losses
- · Alimony/child support

PLEASE CAREFULLY REVIEW THE EXAMPLE ON THE REVERSE SIDE