

What to Know if You Retire Out-of-State

If you're planning to move out of California in retirement, whether to save money, explore new surroundings, or be closer to family, it's important to evaluate several factors both before moving and making several notifications.

Before You Move

First, consider all types of taxes. Income taxes, property taxes, and sales taxes differ widely across states. Some states, like Florida, Texas, and Nevada, don't tax pension income at all. Other states provide partial tax breaks on retirement distributions and Social Security. Want to know which states don't tax pensions? [Explore Your Options](#)

You can contact the [California Franchise Tax Board](#), which provides guidance on determining California resident status, with any questions.

If you become a resident of another state and want to discontinue your California tax withholdings, you can make that change in [myCalPERS](#) by selecting Tax Withholdings from the Home tab. You can follow our step-by-step [How to Change Your Tax Withholdings on myCalPERS \(PDF\)](#) guide if you need help. Consult a tax professional in your new state if you have questions about your tax withholding.

Check Health Care Costs and Availability

I receive many complaints about the prohibitive cost of healthcare when people move out of state. In most states, until you reach Medicare age or 65, your only option is CalPERS Platinum. The out-of-state rate is higher than the in-state rate. This carries a hefty copay or out-of-pocket premium of several hundred dollars. Out-of-state CalPERS health benefit costs may differ from those in California because CalPERS negotiates only with plans in California, but Kaiser does have a few plans available in certain select zip codes around the country.

You can use our [Health Plan Search by ZIP Code](#) or log in to myCalPERS to determine which plans are available in an area.

For an overview of all CalPERS health plans, visit [Retiree Plans & Rates](#) on our website.

After You Move

If you change banks when you move to another state, be sure to **update your direct deposit information** right away. Log in to myCalPERS, go to the **Retirement** tab, and select **Payment Options**. Many people do not know if they have an account with a bank, with branches in all states, as direct deposit will continue. CalPERS will eventually cancel your health insurance when it cannot mail you the dependent verification form required every

three years. Then you will call them in a panic and find that they will obtain your address and the verification form to reinstate your health insurance.

When you move out-of-state, before signing up for direct deposit, first verify that your financial institution belongs to the [*National Clearing House Association \(NACHA\)*](#). While most financial institutions can accept and provide direct deposit, they must belong to NACHA.

When you're contacting your utilities and other service providers to **change your address**, don't forget about CalPERS.

CalPERS needs your [*current address*](#) and your new contact information if you receive benefit payments, tax statements, or other important correspondence about your pension and health benefits. You can file an official change of address with the U.S. Postal Service so your mail is forwarded to your new address. You can log in to myCalPERS, then select **My Account** and **Contact Information** to update your personal email address or phone numbers if they change.

Don't forget to also update your contact information with Local 2881 – [*Change of Address Form*](#). Update your info with other retirement and health programs that you're part of such as [*CalPERS Long-Term Care Program*](#), [*CalPERS Deferred Compensation Plans*](#), and the [*CalHR Savings Plus*](#) program.