

2026 Cost of Living Adjustment (COLA)

Information for Retired Members

Senate Bill 1144 · 2026 Legislative Session

The Oklahoma Legislature passed Senate Bill 1144 during the 2026 session, which provides a cost of living adjustment (COLA) to certain retired members of the Teachers' Retirement System (TRS).

Any person receiving benefits from TRS as of **June 30, 2026**, who continues to receive benefits on or after **November 1, 2026**, may receive an increase based on their length of retirement, as shown in the table below.

COLA Eligibility Summary

COLA tiers based on years retired as of June 30, 2026

Tier	Years Retired as of June 30, 2026	Months Retired as of June 30, 2026	Qualifying Retirement Date Range	COLA Increase
Tier 1	Fewer than 8 years	Fewer than 96 months	July 1, 2018 or later	0% — No adjustment
Tier 2	At least 8 years, fewer than 20 years	96 to 239 months	July 1, 2006 through June 1, 2018	3% increase
Tier 3	20 years or more	240 months or more	On or before June 1, 2006	6% increase

Frequently Asked Questions

1. Which retirement date qualifies me for the 3% increase?

Members who retired on or after **July 1, 2006** and through **June 1, 2018** qualify for the 3% increase. This represents 96 to 239 months (8 or more years but fewer than 20 years) of retirement through June 30, 2026.

2. Which retirement date qualifies me for the 6% increase?

Members who retired on or before **June 1, 2006** qualify for the 6% increase. This represents 240 or more months (20 or more years) of retirement through June 30, 2026.

3. I retired on July 1, 2018 exactly — which tier applies to me?

Members who retired on or after July 1, 2018, do not qualify to receive this Cost of Living Adjustment.

4. When will this COLA appear in my benefit payment?

The law goes into effect on **November 1, 2026**. Because retirement benefit payments are made in arrears, the increase will be applied to the November benefit payment, which will be issued on **December 1, 2026**.

5. How will this COLA affect my taxes?

As with any change to income, the taxes withheld from your benefit payment will be adjusted according to IRS tax tables. The increase could result in a change to the amount withheld each month. You do not need to make any changes to your withholdings unless you choose to do so.

Note for Oklahoma taxpayers: Members whose pension income is already partially or fully excluded from Oklahoma income tax (for example, under the \$10,000 Oklahoma pension exemption, or the full exemption available to members age 65 and older) may see limited or no state tax impact from the COLA.

The IRS Form 1099-R issued by TRS in **January 2027** will reflect your income change from this COLA. To update your tax withholdings, log in to your MyTRS account at mytrs.trs.ok.gov. Consult a tax advisor for guidance specific to your situation.

6. What does "has been retired" mean for purposes of this COLA?

For purposes of this COLA, "has been retired" means you did not suspend your retirement to return to work as an active contributing member.

This is different from **post-retirement employment** — working within the earnings limits set by law while remaining retired and continuing to collect your benefit. Post-retirement employment does *not* interrupt your retirement for purposes of this calculation.

7. How does suspending my retirement to return to contributing employment affect my eligibility tier?

If the months spent in return-to-work status with a suspended retirement reduce your total months retired below a tier threshold, you could move to a lower tier or lose eligibility entirely.

Example 1 — Eligibility lost

You have been retired for 96 months. You returned to work for 3 months with a suspended retirement. Your total months retired is now 93 — fewer than 96 — so you **do not qualify** for a COLA increase.

Example 2 — Tier maintained

You have been retired for 100 months. You returned to work for 4 months with a suspended retirement. Your total months retired is 96, which remains in the Tier 2 window (96–239 months), so you **qualify for the 3% increase**.

8. I am an Alternate Payee under a Qualified Domestic Relations Order (QDRO) from a divorce. Am I eligible for the COLA?

It depends on the terms of your specific Qualified Domestic Relations Order (QDRO).

- If your QDRO entitles you to a **proportionate share** of any future benefit adjustments, you would receive a proportionate share of the COLA.
- If your QDRO sets a **fixed dollar amount**, your payment would not change.

9. I am receiving a disability retirement benefit. Am I eligible for the COLA?

Yes, provided you have been retired for the requisite period described in the eligibility table above.

10. I am receiving a monthly joint annuitant or beneficiary benefit. Am I eligible for the COLA? **Yes**, provided the original member's retirement date meets the applicable tier threshold. Eligibility is determined using the original member's retirement date — not the date the joint annuitant or beneficiary benefit began.

11. Will the COLA be permanent, or is it a one-time adjustment?

This is a **permanent benefit increase** for those who qualify. The adjusted amount will become your new base benefit going forward.

12. Does the COLA affect the benefit amount paid to my joint annuitant or beneficiary?

Yes. Because the COLA is a permanent increase to the member's base benefit, any joint annuitant or beneficiary payment calculated as a percentage of the member's benefit will also reflect the increase proportionally.

Have More Questions?

SECURE MESSAGE

Log in to MyTRS at mytrs.trs.ok.gov and send a secure message

ONLINE CHAT

oklahoma.gov/trs.html

PHONE

405.521.2387

This document is provided for general informational purposes. For questions about your specific benefit, please contact TRS directly.