

## **School Year 2020-2021** **Annual 403(b) Plan Eligibility Notice**

**The Orange Board of Education** offers our eligible employees the opportunity to save for retirement by participating in a 403(b) plan through payroll deduction. The pre-tax contribution amount you designate will be deducted from your bi-weekly paycheck. We will send your contribution to the 403(b) Investment Provider you select, for deposit to your account. Deductions are taken twice a month from September through June (months with 3 pay dates will **not** have the deduction taken from the third paycheck).

### **Interested in starting a 403(b) Plan?**

You must first contact an Investment Provider directly to set up your 403(b) account. Once the 403(b) account is active, complete the Payroll Deduction Authorization form and submit it to Angela Booth in the Payroll department. Our list of Participating Investment Providers and the Payroll Deduction Agreement forms are available at: [www.oess.org/departments/business-office/employee-benefits-forms](http://www.oess.org/departments/business-office/employee-benefits-forms)

### **Already contributing to a 403(b) plan?**

If you need to make changes to your current 403(b) payroll deduction, complete the Payroll Deduction Agreement, found at the above web link. Return the form to Angela Booth in the Payroll department. Your requested change will be effective the first paycheck of the month that follows receipt of the completed payroll deduction form.

### **How much can you contribute?**

In general, you may make elective deferrals to a 403b plan, up to \$19,500 in 2020, and up to \$19,500 in 2021. These are calendar year maximum contribution amounts. The IRS may adjust this dollar limit annually for cost of living. In addition, your Investment Provider may permit you to contribute additional amounts under the 15 Years of Service Catch-up and/or the Age 50+ Catch-up. Each catch-up has its own limits.

If you have questions concerning the 403(b) plan, please contact your Investment Provider directly. Any questions concerning payroll deductions can be directed to Angela Booth at [abooth@orange-ed.org](mailto:abooth@orange-ed.org). Thank you!

*This Notice is not intended as tax or legal advice. The Orange Board of Education cannot provide you with tax or legal advice. Employees are encouraged to contact their financial representative or tax professional with any questions.*