

# IU Tax Deferred Account (TDA) Plan Salary Deferral Agreement

Name: \_\_\_\_\_ Indiana University ID #: \_\_\_\_\_

IU Email: \_\_\_\_\_ Department: \_\_\_\_\_ Campus: \_\_\_\_\_

Pay Cycle:      26 Pay    12 Pay    10 Pay      Final Pay   Last Day: \_\_\_\_\_

1. I am requesting salary deferrals to begin on _____	<b>This box for HR Use Only</b>
2. _____ % TIAA        _____ % Fidelity <i>(Total percentage must equal 100%)</i>	
<p>3. <b>Salary Deferral Amount (TDAPLN 46)</b></p> <p>I request to defer the following amount from eligible compensation as an elective deferral in accordance with and subject to the IRS rules and regulations.</p> <p>_____ % of my eligible compensation per pay period.</p> <p>OR</p> <p>IRS maximum amount (Internal Revenue Code (IRC) §402(g)(1)) deferred over remaining pays in the calendar year.</p> <p>*I understand that if I will be age 50+ in the current tax year, the IRS maximum amount will also include the age 50+ catch-up allowed under this plan.</p>	

Begin Date: \_\_\_\_\_

TDAPLN 46: \_\_\_\_\_ %

Initials: \_\_\_\_\_

### Employee Acknowledgement

- I authorize Indiana University to remit the salary deferral amount(s) designated above to the designated investment company(s) as contributions to the IU Tax Deferred Account Plan, an IRC §403(b) plan and I acknowledge the following:
- This agreement will take effect as of the beginning of the pay period containing the effective date in Section (1.) or as soon as administratively feasible thereafter, and will remain in effect until I change (revoke or modify) it. I may change this agreement by making the change online in One.IU
- This agreement applies only to compensation not yet paid or made available to me.
- That Indiana University may revoke or modify this agreement at any time to comply with applicable IRS limits.
- That Indiana University does not warrant the performance or the appropriateness of any investment or the tax consequences or excludability and will not be responsible for any penalties or tax consequences resulting from this agreement.
- That the Plan does not allow for withdrawals, except after reaching age 59½, while employed at Indiana University.
- I am aware of the fees and expenses charged by the designated investment company(s).
- That elections to defer the maximum amount possible are processed over the remaining pays in a calendar year without taking into account mid-year terminations of employment or changes in base salary. My contribution percentage may be changed by UHR from year to year to adjust for changes in IRS limits or to ensure deferrals are made evenly throughout the year.
- The Internal Revenue Service imposes various limits on your contributions to, or benefits from, the different IU plans. In addition, some limits require aggregation of the IU plans with other employer plans in which you participate or with a simplified employee pension (SEP) you have set up. These rules may vary depending on the type of plan, the type of contributions, and how the plan is structured.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Please complete the digital signature above and then click the submit button below. This form may also be scanned and emailed to [retplans@iu.edu](mailto:retplans@iu.edu).*

<b>HR Use Only</b>	
Reviewed by: _____	Date: _____
Processed by: _____	Date: _____

## INTERNAL REVENUE CODE CONTRIBUTION LIMITS

### Annual Dollar Limit on Elective Deferrals (IRC §402(g)(1))

Internal Revenue Code (IRC) §402(g)(1) limits the amount of salary deferral contributions that can be contributed to the IU Tax Deferred Account Plan and to all IRC §403(b) plans, §401(k) plans, and other similar type of plans in which an employee participates in any calendar year. (Please note that deferrals made to the IU 457(b) Retirement Plan (IRC §457(b) plan) are not limited by IRC §402(g)(1).)

The annual dollar limit is the lesser of 100 percent of the employee's compensation for the calendar year or the "applicable dollar amount." The "applicable dollar amount" for 2017 is \$18,000.

Please note that Indiana University does not monitor elective deferrals made to any business entity other than Indiana University. Therefore, an employee must self-monitor elective deferrals made to the Veterans Administration Hospital, IU Health, the IU Foundation, the IU Health Physicians, private practice associations, former employers, etc.

### Age 50 or Older Catch-up Contributions (IRC §414(v)(2))

For participants who are at least age 50 before the end of the plan year, the current dollar limits on elective deferrals are increased. The additional amount of elective deferrals that are permitted to be made by an eligible participant is the lesser of (i) the participant's compensation for the year reduced by any other elective deferrals of the participant for the year or (ii) the "applicable dollar amount." The applicable dollar amount for 2017 is \$6,000.

Age 50 or older catch-up contributions will not be taken into account in applying the annual dollar limit on elective deferrals (IRC §402(g)(1)) or the annual contribution limit (IRC §415(c)(1)).

### Annual Contribution Limit (IRC §415(c)(1))

The IRC limits the amount of employer contributions and elective deferrals that can be made to the IU Tax Deferred Account Plan, IU Retirement Plan, and the IRC §403(b) plan portion of the IU 18/20 Retirement Plan on behalf of a participant. For 2017, the maximum amount contributions that can be contributed to all of the plans on behalf of a participant for a limitation year is the lesser of:

- (1) 100 percent of the eligible employee's compensation;
- or
- (2) \$54,000

Employer contributions made to the IU Retirement Plan and to the IRC §403(b) plan portion of the IU 18/20 Retirement Plan may limit the amount of elective deferrals that a participant may make to the IU Tax Deferred Account Plan.

The Internal Revenue Service imposes various limits on your contributions to, or benefits from, the different IU plans. In addition, some limits require aggregation of the IU plans with other employer plans in which you participate or with a simplified employee pension (SEP) you have set up. These rules may vary depending on the type of plan, the type of contributions, and how the plan is structured.