

IU 457(b) Retirement Plan Salary Deferral Agreement (IURETS49)

PARTICIPANT INFORMATION		
Employee Name:		University 10-Digit ID:
Campus:	Department:	Phone:
IU Email:		
Pay Cycle: <input type="checkbox"/> 26 Pay (Biweekly) <input type="checkbox"/> 12 Pay (Monthly) <input type="checkbox"/> 10 Pay (Monthly)		
I am requesting (select one):		
<input type="checkbox"/> Initial enrollment or changes.		
<input type="checkbox"/> Defer all or a portion of my separation pay. Last day of employment (mm/dd/yyyy):		

CONTRIBUTIONS	
Enter the amount you wish to contribute per pay period in the space provided below. You may elect to contribute funds on a pre-tax or after-tax basis, or both. If you are or will be age 50 or older in the current tax year, the maximum you will be allowed to defer will include the age 50+ catch-up contribution. If you are or will be age 62, 63, or 64 in the current tax year, you must contact IU Human Resources at askhr@iu.edu or 812-856-1234 to check your eligibility and make the necessary changes to your contribution amount. See page 2 of this agreement for IRS contribution limits.	
<input type="checkbox"/> Pre-tax Deferral Contributions. I request to defer the following amount of my eligible compensation per pay period as pre-tax salary deferral contributions in accordance with and subject to the IRS rules and regulations.	
Insert percentage ▶	OR Insert flat-dollar amount ▶
<input type="text"/> %	\$ <input type="text"/>
<input type="checkbox"/> Roth After-Tax Contributions. I request to defer the following amount of my eligible compensation per pay period as Roth after-tax salary deferral contributions in accordance with and subject to the IRS rules and regulations.	
Insert percentage ▶	OR Insert flat-dollar amount ▶
<input type="text"/> %	\$ <input type="text"/>

PARTICIPANT ACKNOWLEDGMENT	
I authorize Indiana University to remit the salary deferral amount(s) designated above to the designated investment company(s) as contributions to the IU 457(b) Retirement Plan, an IRC §457(b) plan and I acknowledge the following:	
<ul style="list-style-type: none"> This agreement will take effect as soon as administratively feasible after this completed form is submitted to IU Human Resources, 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 while employed at Indiana University. I am aware of the fees and expenses charged by the designated investment company(s). 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 plans in which you participate. These rules may vary depending on the type of plan, the type of contributions, and how the plan is structured. 	
Signature:	Date:

Complete the digital signature above, save, then click SUBMIT to email this form to IU Human Resources. This form may also be scanned and emailed to askhr@iu.edu or mailed to IU Human Resources, ATTN: Benefits, Poplars E165, IUB.

HR USE ONLY

Pay Period Begin Date: _____ IURETS49: _____

Processed By: _____ Date: _____

INTERNAL REVENUE CODE CONTRIBUTION LIMITS

2020 IRS Contribution Limits Overview

Type of Contribution	IRS Limit
Employee Elective Deferrals	\$19,500
Age 50 or Older Catch-up Contribution*	\$6,500
Age 62, 63, & 64 Catch-Up*	Up to \$19,500

Participants may elect to make either the age 50 + catch-up contribution **OR the age 62, 63, & 64 catch-up contribution during a plan year—not both concurrently.*

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

Internal Revenue Code (IRC) §457(b)(2) limits the amount of salary deferral contributions (elective deferrals) that can be contributed to the IU 457(b) Retirement Plan and to all IRC §457(b) plans in which an employee participates in any calendar year. (Please note that elective deferrals made to the IU Tax Deferred Account Plan are not limited by IRC §457(b)(2).)

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 2020 is \$19,500.

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 is \$6,500.

Age 50 or older catch-up contributions will not be taken into account in applying the annual dollar limit on elective deferrals (IRC §457(b)(2)).

Age 62, 63, or 64 Catch-Up Contributions (IRC §457(b)(3))

For one or more of the participant's last three taxable years ending before he or she attains age 65, the participant may increase the annual dollar limit on elective deferrals to an amount not exceeding the lesser of: (i) twice the "applicable dollar amount"; or (ii) the "underutilized limitation."

The "underutilized limitation" is equal to the sum of: (i) the annual dollar limit on elective deferrals for the taxable year; plus (ii) the annual dollar limit on elective deferrals (disregarding any catch-up) for any prior taxable year(s) less the elective deferrals made for such year(s).

In determining the "underutilized limitation" for prior years, the plan disregards any IRC §414(v) catchup contributions, both for calculation of the annual dollar limit on elective deferrals in a prior year and in establishing the amount of elective deferrals made in the prior year. A participant may not elect to apply the IRC §457(b)(3) catchup rule more than once, regardless of whether the participant utilizes the catch-up rule in less than all of the three taxable years ending before the participant attains age 65. This restriction on the use of the IRC §457(b)(3) catch-up rule also applies if the participant rejoins the plan or participates in the plan after retirement. It does not prevent more than one election by an employee covered by IRC §457(b) plans of different employers.

The "one-time use" restriction does not prohibit a participant from making an IRC §457(b)(3) catch-up election applicable to each of the three years prior to age 65. This restriction only means a participant who elects to utilize the IRC §457(b)(3) catch-up rule has one three-year period within which to exercise the rule.

Use of Multiple IRC Catch-Up Contribution Provisions Restricted

A participant may not make both an age 50 or older catch-up contribution (IRC §414(v)) and an age 62, 63, or 64 catch-up contribution (IRC §457(b)(3)) to the plan in the same 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 plans in which you participate. These rules may vary depending on the type of plan, the type of contributions, and how the plan is structured.