

From: UM Faculty & Staff Benefits
Sent: Wednesday, December 21, 2011 10:15 AM
To: UM Faculty & Staff Benefits
Subject: 2012 Dollar Limitations for UM Tax Deferred Investment Plans



2012 Dollar Limitations for UM Tax-Deferred Annuity (403(b)) and UM Deferred Compensation (457(b)) Voluntary Retirement Plans

The Internal Revenue Service has announced 2012 limits for elective salary deferral contributions to 403(b) and 457(b) voluntary retirement plans. **The maximum salary deferral is \$17,000 for each plan. Employees age 50 or older during calendar year 2012 are eligible to contribute an additional \$5,500 as a catch-up contribution to each plan.** Participation in these plans is available to full time, part time, and temporary employees, not including students or persons whose earnings are not subject to taxation under a tax treaty.

The UM Tax-Deferred Annuity (403(b)) Program offers an after-tax Roth option. Pre-tax salary deferral contributions to the UM 403(b) program must be coordinated with after-tax Roth 403(b) contributions. The combined contribution limit must not exceed \$17,000 (\$22,500 if age 50 or older).

Certain long-term employees who have not contributed as much as allowed to the UM 403(b) plan during their entire period of employment may be eligible for the Tax-Deferred Annuity (403(b)) 15-Year Catch up provision.

To change a salary deferral, please submit an updated UM 403(b) Salary Reduction Agreement and/or UM 457(b) Voluntary Salary Deferral Agreement. These forms may be found on the UM Benefits website: www.umsystem.edu/mytotalrewards/benefits/benefit_forms/.

Changes in salary deferral may be made at any time during the calendar year. Salary deferral contributions will roll into January 2012 unless updated salary deferral forms are received by the applicable due dates. Forms may be faxed to UM Benefits at 573-882-9603, or sent by campus mail to:

Faculty & Staff Benefits
1000 W. Nifong Blvd.
Bldg 7, Ste. 210
Columbia, MO 65211

Please contact LaRae Kostal, 573-882-6582, kostall@umsystem.edu, or Rebecca Hay, 573-884-2350, hayr@umsystem.edu, with questions regarding the UM tax-deferred plans.

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