

## **KANSAS STATE UNIVERSITY**

### **Special Notice Regarding Your Tax-Sheltered Annuity**

Participation in another employer's plan(s) could affect the contribution limitations that must be satisfied with respect to your tax-sheltered annuity. It is your responsibility to ensure that the contribution limitations are not exceeded when combined with certain other employers' retirement programs.

#### **Elective Deferrals**

In general, all elective/voluntary retirement program contributions that you make on a pre-tax basis are limited to \$16,500\* for calendar year 2009. These contributions include your elected contributions to the Voluntary Tax-Sheltered Annuity (VTSA) Program plus any contributions to another employer's 401(k) plan, other tax-sheltered annuity, or salary reduction simplified employee pension plan. These contributions do not include contributions to the Kansas Board of Regents Mandatory Plan or the Kansas Public Employees Retirement System (KPERs).

If you are also participating in the State of Kansas Deferred Compensation Plan, your pre-tax deferred compensation contributions are limited to \$16,500\* for calendar year 2009 under Internal Revenue Code Section 457.

#### **Employer Contributions**

The other contribution limitation that may be affected by another employer's plan(s) is the limit on "annual additions" to the plan(s). You may have heard this referred to as the Internal Revenue Code Section 415 limits. In general, the amount of contributions to your tax-sheltered annuity is compared to your compensation for the year. For this purpose, compensation and retirement plan contributions from employment outside of KSU may have to be aggregated.

If you feel that the above limitations may apply to you, you should consult with your tax advisor. Violation of the above limitations may result in current taxable income to you and possibly taxation of your entire annuity account.

This notice is provided to you as a service from the Division of Human Resources, Kansas State University.

\* These amounts may be higher depending on eligibility for applicable catch-up provisions.