

Tax-Deferred 403(b) Plan Special Catch-up Provision Worksheet—2004

For participants who have at least 15 full years of University of California employment as of December 31, 2003, the Internal Revenue Code (IRC) includes a special catch-up provision that may increase their Maximum Annual Contribution (MAC) to the 403(b) Plan.

You may use the special catch-up provision only if your total cumulative contributions to the 403(b) Plan do not exceed \$5,000 multiplied by your years of University employment. Special catch-up contributions are limited to \$3,000 per year and \$15,000 total.

Under the special catch-up provision, your MAC is increased by the least of:

- \$3,000; or
- \$15,000 minus all your previous special catch-up contributions; or
- \$5,000 multiplied by your years of University employment, minus all prior 403(b) Plan contributions.

Your MAC may also be increased by the additional contributions available to participants who are age 50 or older—\$3,000 in 2004. If you will be age 50 or older by the end of 2004, this additional amount is included in your MAC (\$16,000) that was set in the payroll system for 2004. Any contributions you make over the \$13,000 general contribution limit are counted as follows:

- the first \$3,000 counts as special catch-up contributions until you are no longer eligible to make them
- the next \$3,000 counts as age 50+ additional contributions

If you are eligible to contribute the full amount under the special catch-up provision plus the age 50+ additional amount, your MAC for 2004 is \$19,000.

In no event may your total contributions to the 403(b) Plan for the year exceed 100 percent of your adjusted gross salary.

NOTE: Your local Benefits Office must review and approve your completed calculation and supporting documentation.

Special Catch-up Provision

Name _____ Social Security Number _____

1. **Expected 2004 gross University salary** 1. \$ _____

Enter the gross pay you expect to receive in 2004. You may include shift differential, summer or equivalent term salary, health science faculty income over the base professorial salary, and stipends that will be paid in 2004. *Note:* You may only include overtime that has already been paid in 2004. You must provide documentation for all of the additional compensation above.

2. **Total adjustments to expected gross University salary** 2.(a) \$ _____

(a) Enter your expected total 2004 required pretax contributions to the DC Plan or to CalPERS, SCERS, or OCERS.

Calculate your DC Plan pretax contributions as follows:

- **UCRP members with Social Security** = 2% of your annual covered compensation* up to the Social Security wage base (\$87,900 for 2004), plus 4% of your annual covered compensation* over the wage base (if any), less \$19 per month;
- **UCRP members without Social Security** = 3% of your annual covered compensation*, less \$19 per month;
- **UCRP Safety members** = 3% of your annual covered compensation*, less \$19 per month;
- **UCRP Tier Two members**—enter zero.
- **DC Plan Safe Harbor participants** = 7.5% of your annual compensation up to the Social Security wage base (\$87,900 for 2004).
- **Academic appointees:** Include 3¹/₂% pretax employee contributions on estimated summer or equivalent term salary, if any.

To obtain rates for **CalPERS**, **SCERS**, and **OCERS**, contact those agencies directly.

Members of other retirement systems: contact those agencies directly.

(b) Enter your expected 2004 total pretax deductions, if any, to establish, reestablish or convert prior periods of service credit or to eliminate the Plan 02 offset under the UCRP. 2.(b) \$ _____

(c) **Total adjustments to expected gross University salary** 2.(c) \$ _____
Add lines 2.(a) and 2.(b).

*Your annual covered compensation for UCRP is the base annual pay rate for your regular University appointment. Do not include overtime pay, summer or equivalent term salary, or other pay in excess of 100 percent of the salary for your position. Also, for calculation purposes, your annual covered compensation may not exceed your covered compensation limit under IRC §401(a)(17). For 2004, use the following maximum limits:

- \$300,000, if you became a UCRP member before July 1, 1994; or
- \$200,000, if you became a UCRP member on or after July 1, 1994.

DC Plan contributions stop when you reach your covered compensation limit.

9. Enter the first \$3,000 of all 403(b) Plan contributions in excess of the general contribution limit.

For years in which your annual 403(b) Plan contributions exceeded the general contribution limit (shown below for each tax year), enter the excess amount up to \$3,000. For example, if you contributed \$13,000 in 2000, enter \$2,500 for 2000. Or, if you contributed \$15,000 in 2002, enter \$3,000 for 2002. For years in which your total 403(b) Plan contributions were equal to or less than the applicable general contribution limit, enter "0."

2003	\$ _____	(amount exceeding \$12,000)	
2002	\$ _____	(amount exceeding \$11,000)	
2001	\$ _____	(amount exceeding \$10,500)	
2000	\$ _____	(amount exceeding \$10,500)	
1999	\$ _____	(amount exceeding \$10,000)	
1998	\$ _____	(amount exceeding \$10,000)	
1997	\$ _____	(amount exceeding \$9,500)	
1996	\$ _____	(amount exceeding \$9,500)	
1995	\$ _____	(amount exceeding \$9,500)	
1994	\$ _____	(amount exceeding \$9,500)	
1993	\$ _____	(amount exceeding \$9,500)	
1992	\$ _____	(amount exceeding \$9,500)	
1991	\$ _____	(amount exceeding \$9,500)	
1990	\$ _____	(amount exceeding \$9,500)	
1989	\$ _____	(amount exceeding \$9,500)	
1988	\$ _____	(amount exceeding \$9,500)	
1987	\$ _____	(amount exceeding \$9,500)	
Total	\$ _____		= 9. \$ _____

10. Special catch-up contribution balance

Subtract line 9 from \$15,000.

$$\$15,000 - \text{line 9} = \text{10. } \$ \underline{\hspace{2cm}}$$

11. Enter the smallest of line 8, line 10, or \$3,000. (If zero or less than zero, enter zero.) 11. \$ _____

12. Calculate your MAC for 2004, including the contribution allowed you under the special catch-up provision and the age 50+ additional contribution, if applicable.*

$$\$13,000 + \text{line 11} + \$3,000 \text{ (age 50+ additional contribution)*} = \text{12. } \$ \underline{\hspace{2cm}}$$

13. Enter the **lesser** of the amounts on line 4 or line 12. **This is your MAC for 2004.** 13. \$ _____

* Available to participants age 50 or older as of 12/31/04

By authority of the Regents, University of California Human Resources and Benefits, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits-particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC's contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California's annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

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Website address: <http://atyourservice.ucop.edu>



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