

403(B)

RETIREMENT SAVINGS PLAN

WHAT IS A 403(B) PLAN:

A 403(b) plan, also known as a tax-sheltered annuity plan, is a retirement plan for employees of public schools. A 403(b) plan allows employees to contribute some of their salary to the plan. The employer may also contribute to the plan for employees. The tax advantages, plus plan features and benefits make a 403(b) plan an ideal way to help accumulate funds for your retirement.

PRE-TAX CONTRIBUTIONS:

When you participate in a 403(b) plan, you contribute by payroll deductions before federal income tax withholding is calculated. This helps reduce your taxable income so you can save dollars for retirement that otherwise would have gone to pay taxes.

ANNUAL CONTRIBUTION LIMITS:

In 2018 employees may defer up to \$18,500.

Employees age 50 or over may make a catch up contribution of up to \$6,000.

TAX-DEFERRED ACCUMULATION:

Current federal income taxes on all contributions, interest and earnings in your 403(b) plan are deferred until withdrawal, usually at retirement. Tax deferred earnings coupled with the power of compounding, can provide greater growth than might be possible with taxable savings methods.

ACCESS TO YOUR CONTRIBUTIONS:

Generally, your account contributions can be distributed in any of the following events:

- ❖ Attainment of age 59 ½
- ❖ Separation from service
- ❖ Your death or disability
- ❖ Financial hardships (as defined by the IRS)

**A 10% federal tax penalty may apply to withdrawals prior to age 59 1/2.*

INVESTMENT FLEXIBILITY & CHOICE:

The district offers a choice of 4 reputable vendors for employees to participate with.

VENDOR	CONTACT INFORMATION
ASPIRE Patrick Kelly	LPL Financial 42 Main St., Walpole, NH 03608 p.kelly@lpl.com 603-545-5492
HORACE MANN LIFE INS. CO. Brian Schlager	Twin State Financial Solutions PO Box 997, Wilder VT 05088 Brian.Schlager@horacemann.com 802-461-4491
TIAA-CREF *DRESDEN EMPLOYEES ONLY *	19 Morgan Drive, Lebanon, NH 03766 603-653-5140
VALIC RETIREMENT Darin Leeman, PhD	20 Trafalgar Square, Nashua, NH 03063 Darin.Leeman@VALIC.com 603-327-9122 or 603-594-8340