

2009 Maximum Contributions Tax Sheltered Annuity Program (403b) and Wisconsin Deferred Compensation Program (457)

The IRS announced the cost-of-living adjustments (COLA) for contributions to a qualified pension plan, a Tax Sheltered Annuity and the Wisconsin Deferred Compensation Program.

University of Wisconsin employees may contribute a maximum of \$16,500 to the Tax Sheltered Annuity (TSA) and \$16,500 to the Wisconsin Deferred Compensation (WDC) programs. Employees age 50 and over can contribute an additional \$5,500 to each of these programs.

An employee can change TSA contributions by submitting a Salary Reduction Agreement (SRA). The SRA is an online form that can be filled out, printed, dated, signed and submitted to the benefits office. The form is found on the web at: <http://www.uwsa.edu/hr/benefits/retsav/srafillable.pdf>.

For changes to WDC program deferrals, employees should call the Wisconsin Deferred Compensation office (Great West) at 1-877-457-9327.

In order to have a deduction taken from the first paycheck paid in 2009 for the TSA program the SRA must be received by the benefits office in ES107 on or before **December 13th**. For changes to the WDC program information must be received by Great West in early December to allow for processing time.

An employee can contribute any amount per month (subject to minimums and maximums) to a TSA and/or WDC program. The following chart gives the amount that must be withheld per paycheck, **if an employee wants to contribute the annual maximum amount.**

Number of Paychecks Per Calendar Year	Maximum Annual Contribution	Amount per Paycheck
9 paychecks (under age 50)	\$ 16,500.00	\$ 1,833.33
9 paychecks (age 50 and over)	\$ 22,000.00	\$ 2,444.44
12 paychecks (under age 50)	\$ 16,500.00	\$ 1,375.00
12 paychecks (age 50 and over)	\$ 22,000.00	\$ 1,833.33
26 paychecks* (under age 50)	\$ 16,500.00	\$ 634.61
26 paychecks* (age 50 and over)	\$ 22,000.00	\$ 846.15

Note: It is important to note that employees that are paid on a 9 month basis realize there are no TSA or WDC deductions taken from summer payments.