

**Tax Sheltered Annuity Program
(TSA)
403b Internal Revenue Code**

This program allows you to shelter a portion of your earnings by deferring it **pre-tax** to purchase supplemental retirement benefits. The deferred amount, with accumulated interest and dividends, is not subject to federal or state income taxes until it is withdrawn (usually at retirement). TSA contributions are made through the payroll deduction process only. Your W-2 (Wage and Tax statement) will be reduced by the total amount of your TSA contributions during the calendar year. Your WRS contributions and the amount withheld for Social Security taxes (FICA) are not affected.

Open an account anytime.

To set up a TSA (Tax Sheltered Account):

- Contact one or more of the TSA vendors to obtain an enrollment kit, portfolio and application. See the vendor list on reverse side.
- Complete the application and **submit it directly to the vendor(s)**.
- You will receive an account number from the vendor(s).
- After you receive the account number:
 - Complete a Salary Reduction Agreement (SRA) to indicate the amount of pre-tax money you want deferred to your vendor(s).
 - SRA is attached, and/or can be obtained from the Graduate Medical Education office (H4/831).

Maximum annual deferral for 2008 is \$15,500.

For employees 50 years of age or older an additional \$3,000 can be invested in 2008 for an annual maximum of \$18,500.

The deferred amount can be changed as often as you like by submitting a new SRA.

Rollovers between retirement plans; 403b, 401k, 457, and IRA's are allowed.

To cancel your deferral to a TSA account complete an SRA and submit it to the Graduate Medical Education office. Deductions will stop with the next payroll calculation.