



**California State University**  
**403(b) Tax Sheltered Annuity**  
**IRC Section 402(g)(7) Catch-up Calculation Worksheet**  
**Effective for the 2005 Tax Year**

**Note to employee:** Contributions to the 403(b) program must be no greater than the lesser of two different IRS limits. These limits are under Internal Revenue Code (IRC) §415(c), and §402(g). **For 2005, the 402(g) limit is \$14,000; the 415(c) limit is 100% of compensation (up to \$42,000).** The 402(g) limit is an annual limit; it is reduced if you contribute to a §401(k) plan or a Simplified Employee Pension (SEP) during the year, even if those plans are sponsored by a different employer. However, it is not reduced by your 457(b) or CalPERS retirement contribution.

IRC §402(g)(7) provides a “catch-up” provision for the 402(g) limit, which permits eligible employees to contribute up to an additional \$3,000 during the year. **If you wish to contribute more than the 402(g) limit under this provision, you must demonstrate your eligibility for the catch-up provision by completing this worksheet for each tax year that you wish to contribute a higher amount.**

**Information you will need before completing this worksheet:**

- ⇒ Your years of service with CSU.
- ⇒ The maximum contribution you would be eligible to make during 2005 to the 403(b) program before considering the 402(g)(7) catch-up provision. Contact your 403(b) vendor representative or tax advisor if you need assistance with these calculations.
- ⇒ The 403(b) contributions you made each year while employed by the CSU.

**Step 1:** Enter your years of service at CSU (complete attached “Years of Service Worksheet”). If you have less than 15 years of service, **STOP** -- you are not eligible to use the catch-up provision. \_\_\_\_\_ **Years (1)**

**Step 2:** Enter your maximum 2005 403(b) contribution under the lesser of the 415(c) “100% of compensation,” or \$42,000. (Compensation for the percentage calculation is taxable income plus pre-tax employee contributions to an IRC 403(b), 457, 401(k), 132(f) (pre-tax transportation reimbursement) or 125 plan but does not include pre-tax contributions to CalPERS retirement.) The 402(g) limit is not considered in Step 2 of the calculation. Only the 415(c) limit or \$42,000 is considered. If your answer is less than **\$14,000**, **STOP** -- you are not eligible for the catch-up provision and your limit for 2005 is the amount entered for this step. \$ \_\_\_\_\_ **(2)**

**Step 3:** 403(b) contributions prior to 1987 may be ignored for Step 3.

| (A)<br>Year         | (B)<br>403(b) Contributions* | (C)<br>402(g) Limit | Difference: (B) minus (C),<br>but not less than \$0 |
|---------------------|------------------------------|---------------------|---|
| 1987                | _____ minus                  | \$9,500             | = _____   |
| 1988                | _____ minus                  | \$9,500             | = _____   |
| 1989                | _____ minus                  | \$9,500             | = _____   |
| 1990                | _____ minus                  | \$9,500             | = _____   |
| 1991                | _____ minus                  | \$9,500             | = _____   |
| 1992                | _____ minus                  | \$9,500             | = _____   |
| 1993                | _____ minus                  | \$9,500             | = _____   |
| 1994                | _____ minus                  | \$9,500             | = _____   |
| 1995                | _____ minus                  | \$9,500             | = _____   |
| 1996                | _____ minus                  | \$9,500             | = _____   |
| 1997                | _____ minus                  | \$9,500             | = _____   |
| 1998                | _____ minus                  | \$10,000            | = _____   |
| 1999                | _____ minus                  | \$10,000            | = _____   |
| 2000                | _____ minus                  | \$10,500            | = _____   |
| 2001                | _____ minus \$10,500         | =                   | _____   |
| 2002                | _____ minus \$11,000         | =                   | _____   |
| 2003                | _____ minus \$12,000         | =                   | _____   |
| 2004                | _____ minus \$13,000         | =                   | _____   |
| <b>TOTAL=</b> _____ |                              |                     |   |

If total exceeds \$15,000, **STOP** -- you are not eligible for the catch-up provision.  
If total is less than \$15,000, subtract total from **\$29,000**: \$29,000 minus total above \_\_\_\_\_ Enter RESULT: \$ \_\_\_\_\_ **(3)**

**\*Note: Column (B) should include contributions made by you to any Section 401(k) plan or Simplified Employee Pension (SEP). (Do not include your 457(b) or CalPERS retirement contributions.)**

Enter the RESULT from Step 1 (from previous page): Years of Service \_\_\_\_\_ (1)

Enter the RESULT from Step 2 (from previous page): \$ \_\_\_\_\_ (2)

Enter the RESULT from Step 3 (from previous page): \$ \_\_\_\_\_ (3)

**Step 4:** Enter the RESULT from the table below \$ \_\_\_\_\_ (4)

a) Years of Service entered in Step 1 \_\_\_\_\_ years

b) Multiply by \$5,000 x \$5,000

This equals: \$ \_\_\_\_\_

c) Subtract your prior 403(b), 457(b) and 401(k) contributions for the entire period of your CSU employment - \_\_\_\_\_

This equals \$ \_\_\_\_\_

If the answer to 4(c) is less than zero, STOP -- you are not eligible for the catch-up provision and your limit for 2005 is \$14,000.

d) If 4(c) is greater than zero, add \$14,000 + \$14,000

RESULT: \$ \_\_\_\_\_

**Step 5:** Enter \$17,000 \$ \_\_\_\_\_ (5)

**Step 6:** Enter the least of the amounts from steps (2), (3), (4), and (5). This is the maximum amount you are permitted to contribute using the 402(g) (7) catch-up provision. \$ \_\_\_\_\_ (6)

**Note: If you are or will be age 50 by the end of the plan year, and you have contributed the lesser of 100% of pay or the maximum permitted under 402(g) and 402(g)(7) (if eligible), you are eligible to defer an additional \$4,000 to the amount shown in Step 6. You must confirm your date of birth below (it must be December 31, 1955 or earlier).**

**REMINDER FOR EMPLOYEES CONTRIBUTING TO THE STATE DEFERRED COMPENSATION (457) PLAN: In general, the limit on your annual contribution to the State of California's Deferred Compensation Plan for 2005 is the lesser of \$14,000, or 100% of your taxable compensation. Any amounts you contribute to the 403(b) plan no longer have to be subtracted from the 457 limit. In addition, age 50 catch-up contributions to a 403(b) or 401(k) plan do not count against the age-50 catch-up contributions to a governmental 457 plan.**

I certify that to the best of my knowledge, the information used in completing this worksheet is accurate.

Please Print Name: \_\_\_\_\_ Date of Birth\*: \_\_\_\_\_ Soc. Sec. No\*\*: \_\_\_\_\_

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*\*Date of Birth is required to permit additional contributions for employees age 50 or over.*

*\*\*Your Social Security number is required because it is your payroll identification number and your 403(b) contribution affects payroll transactions.*

Received by: \_\_\_\_\_ Date: \_\_\_\_\_  
Campus Representative: \_\_\_\_\_

