

PLAN PROVISIONS TAX CHART

This chart illustrates basic provisions of the Economic Growth and Tax Relief Reconciliation Act (EGTRRA) related to defined contribution retirement plans available to CSU employees. (It does not include other retirement provisions, including defined benefit plans, i.e., CalPERS.)

| Plan Provision | 403(b) | 401(k) Administered by DPA's Savings Plus Program | 457 Administered by DPA's Savings Plus Program |
|--|---|---|---|
| <p>402(g) Elective Deferral Limit This is an annual maximum. It will be indexed annually for inflation after 2006.</p> | <p>\$11,000 in 2002 \$12,000 in 2003 \$13,000 in 2004 \$14,000 in 2005 \$15,000 in 2006</p> | <p>\$11,000 in 2002 \$12,000 in 2003 \$13,000 in 2004 \$14,000 in 2005 \$15,000 in 2006</p> | <p>\$11,000 in 2002 \$12,000 in 2003 \$13,000 in 2004 \$14,000 in 2005 \$15,000 in 2006</p> |
| <p>IRC Section 402(g)(8) Catch-up Also referred to as the "15-year" catch-up. Permits certain long-term employees who have under-deferred in previous years to make additional contributions beyond the IRC Section 402(g) limit. Applicable only to the 403(b) plan and can be used concurrently with the IRC Section 414(v) catch-up.</p> | <p>Up to \$3,000 per year beyond the 402(g) limit, for up to 5 years or a lifetime maximum of \$15,000.</p> | <p>Not applicable</p> | <p>Not applicable</p> |
| <p>IRC Section 414(v) Catch-up Also referred to as the "age-50" catch-up. Permits participants who have attained at least age 50 by the end of a calendar year to make catch-up contributions on a graduated scale. In 2002, a participant can defer \$1,000 to a 403(b) or 401(k) and an additional \$1,000 to a governmental 457(b) plan.</p> | <p>\$1,000 in 2002 \$2,000 in 2003 \$3,000 in 2004 \$4,000 in 2005 \$5,000 in 2006</p> | <p>\$1,000 in 2002 \$2,000 in 2003 \$3,000 in 2004 \$4,000 in 2005 \$5,000 in 2006</p> | <p>\$1,000 in 2002 \$2,000 in 2003 \$3,000 in 2004 \$4,000 in 2005 \$5,000 in 2006</p> |
| <p>IRC Section 457(b) Catch-up Also referred to as the "two times elective deferral" catch-up. Provides a maximum lifetime amount and is available to participants who have under-deferred to the 457(b) plan in prior years. Permits eligible participants to defer up to twice the amount of the elective deferral amount during the last three years before the plan's normal retirement age, minus any current and prior years' deferrals made since the employee began participating in the plan. Applicable only to the 457 plan and can be used concurrently with the 403(b) plan's IRC Section 402(g)(8) catch-up, and the IRC Section 414(v) "age-50" catch-up*.</p> | <p>Not applicable</p> | <p>Not applicable</p> | <p>\$22,000 in 2002 \$24,000 in 2003 \$26,000 in 2004 \$28,000 in 2005 \$30,000 in 2006</p> |

*Previously, EGTRRA had a non-duplication rule preventing 457 plan participants from taking advantage of both types of catch-ups at the same time. This rule was modified and enacted as part of the Job Creation and Worker Assistance Act of 2002. Now, these participants are now entitled to make catch-up contributions up to an amount equal to the greater of the age-50 catch-up limit or the 3-year catch-up limit.