



Teachers' Retirement System of the State of Kentucky

479 Versailles Road
 Frankfort, KY 40601-3800
 800-618-1687

TRS 4 Voluntary Contribution Agreement

TRS 4 members may make voluntary contributions to the 403(b) tax-sheltered annuity program by entering into this agreement. Voluntary contributions to the 403(b) tax-sheltered annuity program are made only through payroll deduction and must be made from earnings paid for a TRS-covered position. See the TRS website at <https://trs.ky.gov/active-members/trs-4-member-information/> for more information.

Printed member name (First, middle initial, last)	Member TRS ID	Primary phone
Address (Street/City/State/ZIP)		

I direct my employer to reduce my earnings on a tax-deferred basis by the following amount (*check and complete one option only*):

<input type="checkbox"/>	\$_____ per pay period (<i>enter a whole dollar amount</i>); or
<input type="checkbox"/>	_____ % per pay period (<i>enter a whole percentage</i>).

Important: These voluntary contributions and contributions to any other 403(b) or 401(k) plan cannot exceed the applicable Internal Revenue Service (IRS) dollar limits under Section 402(g) of the Internal Revenue Code (Code). Also, if employer voluntary contributions are made to the TRS plan on behalf of the employee, total contributions to the plan and any other 403(b) plan sponsored by an employer cannot exceed the applicable IRS dollar limits under Section 415(c). Read the Employee Representations Regarding Contribution Limits and Other Information on the following page that provides more details about these limits and that is incorporated by reference as part of this agreement.

This agreement will take effect as soon as practicable following the date the member completes the agreement and it is filed with TRS. The agreement will remain in effect until the member changes or terminates it by filing a new agreement. This agreement applies only to earnings not yet paid or made available to the employee and is legally binding and irrevocable with respect to amounts earned while the agreement is in effect.

TRS or the employer may revoke or modify this agreement at any time if necessary to comply with applicable provisions of the Code or for any other reason.

This agreement must be signed by both the member and the employer and filed with TRS by the employer.



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Member signature	Date
Employer signature	Date
District/Agency name	Effective date

Employee Representations Regarding Contribution Limits and Other Information

- I understand that Internal Revenue Code (Code) Section 402(g) limits my salary reduction contributions under this agreement to a “dollar limit.” The general dollar limit is \$20,500 for calendar year 2022 (this dollar limit will be adjusted by cost of living increases thereafter). However, my actual dollar limit may be higher than the general dollar limit if I will be 50 years old (or older) by the end of the calendar year.
- If I will be at least 50 years old by the end of the calendar year, I understand that I may make additional “catch-up” salary reduction contributions above the general dollar limit (discussed above). These additional catch-up salary reduction contributions, which are referred to as “age 50 catch-up contributions,” are provided under Code Section 414(v). I understand that the amount of the age 50 catch-up contributions that I may make above the general dollar limit is up to an additional \$6,500 for 2022 (this dollar amount will be adjusted by cost-of-living increases thereafter).
- I understand that the dollar limit, with all appropriate adjustments described above, applies to any contributions I make on a pretax basis in a calendar year to any retirement plans in which I participate (not including TRS, deferred compensation plans, or flexible benefit plan contributions), including plans maintained by other employers.
- I understand that, if my salary reduction contributions to this TRS 403(b) tax-sheltered annuity plan and to other retirement plans exceed the applicable dollar limits in any calendar year, the excess will be taxable both in the year the contribution was made and in the year of distribution unless I timely request to have the excess returned to me. To have the excess returned to me, I must notify my employer and TRS of the excess before March 1 of the year following the year in which the excess contribution was made (for example, a deadline of March 1, 2023, for excess amounts deferred in 2022). If the notice is timely given, TRS will distribute the excess amount of the contribution (with any accrued earnings) to me on or before April 15 of the year following the excess contribution.
- I understand that my salary reduction contributions to the TRS 403(b) tax-sheltered annuity plan and other retirement plans for each year are also limited, except as permitted under Code Section 414(v) allowing age 50 catch-up contributions, by the general rules of Code Section 415(c) to the lesser of \$61,000 for 2022 (this dollar amount will be adjusted by cost of living increases thereafter) or 100% of compensation.
- For the most up-to-date information about these limits, check with your tax adviser and or refer to the IRS website.

Additional Information Regarding Special Aggregation Rules

In determining whether the 415(c) contribution limits have been satisfied for the TRS 403(b) tax-sheltered annuity plan, contributions made on your behalf to a retirement plan sponsored by an employer other than my employer signing this agreement may need to be taken into account. For example, if you owned or controlled more than 50% of another employer, and that employer sponsored a retirement plan, then contributions to both that plan and the TRS 403(b) tax-sheltered annuity plan together cannot exceed the 415(c) limit. If the contribution limits are exceeded and not timely corrected, the tax advantaged status of your retirement benefits could be at risk.

To help determine whether these rules affect you, answer the following three questions:

1. Do you perform services for an employer in addition to the employer signing this agreement?
2. Do you own or control more than 50% of that employer?
3. Do you make contributions or are contributions made on your behalf to a retirement plan sponsored by that employer?

If you answered “yes” to all three of these questions, contact your financial planner or tax consultant to determine if contributions to the retirement plans are required to be aggregated. If so, and it is determined that excess contributions were made as a result of this aggregation, notify the employer signing this agreement and TRS as soon as possible.

This is an abbreviated overview of rules. TRS cannot serve as a tax or financial adviser, and application of the rules will need to be made by individual participants and their advisers.