DISTRICT OF COLUMBIA
PUBLIC SCHOOLS

403(b) Tax Shelter Annuity

What is a 403(b) Tax Shelter Annuity?

The 403(b) Tax Shelter Annuity is an optional retirement savings program that provides employees the opportunity to make pre-tax contributions to a tax shelter annuity (TSA). Eligible employees may defer up to $16,500 annually for the year 2010. Eligible employees over age 50, may contribute an additional $5,000 into a TSA. No taxes are paid on the contributions or earnings until the employee withdraws the funds.

How Do I Enroll in a 403(b) Tax Shelter Annuity?

STEP 1: Contact the vendor of your choice. *Please note that you may enroll in the 403(b) plan at anytime throughout the calendar year.*

STEP 2: Meet with a representative to determine your investment strategy and complete their paper enrollment process. The 403(b) investment provider will notify DCPS of your payroll contribution (bi-weekly deduction). It typically takes 3-4 pay periods from the time you meet with a representative to see the deductions on your paycheck.

If you ever decide to increase, decrease, or cancel your enrollment, you must complete a TSA Salary Reduction Agreement Form that can be found on the DCPS website in the Human Resources section.

2010 APPROVED 403(b) TAX SHELTER ANNUITY VENDORS FOR DCPS EMPLOYEES

Name of Company	Plan Type	Website
AXA Equitable	403(b)	http://www.axa-equitable.com/
Commonwealth (The Felder Group)	403(b) (7) Mutual Fund	http://www.holisticplanners.com/home.aspx
ING Financial	403(b)	http://www.ing-usa.com/us/index.htm
Lincoln Financial	403(b)	http://www.lincolninvestment.com
MetLife (Travelers)	403(b)	http://www.metlife.com
New York Life	403(b)	http://www.newyorklife.com
Valic	403(b)	http://www.valic.com/Home_82_8630.html

NOTE: If you elect a 403(b) TSA benefit through PeopleSoft, your election will not be honored unless you complete the paper application form provided by the vendor.

The money will be deducted from your paycheck and held in escrow. Following the escrow waiting period, the funds will be returned to you and taxed as income.