
Tax Sheltered Annuity & Deferred Compensation Plans

There are two types of voluntary deferred compensation plans available to all employees of the Hillsborough City School District. These plans offer various methods supplementing your retirement income while deferring Federal and State taxes owed on deferred salary until the money is distributed to you, usually after retirement. The District offers voluntary 403(b) tax sheltered annuity and 457(b) deferred compensation plans. You have the choice of participating in one or both plans simultaneously because each has a separate contribution limit. The contribution limits for 2019 are \$19,000 for 403(b) plans and \$19,000 for 457(b) plans. If you turn 50 in 2019, you may contribute an additional \$6,000 with a total of \$24,500 to each plan. A notable difference between the 403(b) and 457(b) plans is plan distributions. Regardless of your age, you can withdraw funds from the 457(b) plan without any IRS early withdrawal penalties when you cease employment with the Hillsborough City School District. With 403(b) plans, there may be a 10% IRS penalty for participants who cease employment under the age of 55 and make a withdrawal.

403(b) Tax Sheltered Annuity

To begin a tax sheltered annuity deduction, please contact:

Brad Shannon, American Fidelity Senior Account Manager
Phone: (925) 395-4220; Email: Brad.Shannon@americanfidelity.com

TSA contributions may be made to any of the Approved Vendors on www.403bcompare.com for Hillsborough City School District. 403bCompare was provided by CalSTRS to inform you of registered vendors and their products to help you with investment decisions. If you have any questions, please contact Brad Shannon or our 403(b) Third Party Administrator, ADMIN Partners at (877) 484-4400.

Once you have established your account with an Approved Vendor, you must complete, sign and submit the "Salary Reduction Agreement" form (enclosed and provided by ADMIN Partners) to Kim Hover, Payroll Specialist (650-342-5193 ext. 102 khover@hcsdk8.org) prior to the 10th of the month in which the reduction is to take place. The form can also be found at <https://www.403bcompare.com/employers/1239>. You may enroll, stop, or make changes to your 403(b) plan throughout the year.

457(b) Deferred Compensation Plan

The District sponsors a 457(b) Deferred Compensation Plan with Mass Mutual that you may contribute to through payroll deduction. If interested, please contact:

Ben Yohanan, Investment and Enrollment Representative
MassMutual Group Variable Annuity Contract
Phone: (650) 583-8815