

SPECIAL 3-YEAR CATCH-UP INFORMATION PACKET



Under Section 457 of the Internal Revenue Code and ORS 243.400-243.495, the Oregon Savings Growth Plan is authorized to allow participants who are approaching retirement to defer more than the normal allowed annual limit. There are two ways to increase your deferrals. One method allows you to increase your savings beginning at age 50 (50-Plus Catch-Up); the other allows you to make up missed deferrals from prior years (3-Year Catch-Up). All participants who are at least age 50 are eligible to use the 50-Plus Catch-Up, while certain restrictions apply to the 3-Year Catch-Up. Please contact the OSGP office at 888.320.7377 with any questions before completing either form.

WHO CAN USE THE 3-YEAR CATCH-UP PROVISION?

Individuals who have not deferred the maximum regular deferral amount allowed in prior years and who are planning to retire with unreduced retirement benefits.

WHEN CAN THE 3-YEAR CATCH-UP PROVISION BE USED?

It can be used in the three years prior to PERS' unreduced retirement benefits.

WHAT IS THE MAXIMUM I CAN DEFER EACH YEAR UNDER THE 3-YEAR CATCH-UP?

During your three 3-Year Catch-Up years, your deferral is double the normally allowed annual deferral limit. The limit includes any amount you want to catch-up, as well as your normal deferrals.

Year	Regular Deferral Maximum	3-Year Catch-Up Deferral Maximum (Includes regular deferral and catch-up)
Current	\$18,500	\$37,000

Note: Deferral and catch-up amount may be adjusted in the future for inflation.

HOW DO I DETERMINE MY NORMAL RETIREMENT AGE?

For purposes of 3-Year Catch-Up, your "normal retirement age" is any age you select that is no later than the date you reach age 70½, and no earlier than the earliest age you can retire with unreduced benefits from your retirement system with your current employer. For example, under PERS, unreduced benefits can be attained as follows:

- **General service employees:**
 - Tier 1: When retiring at age 58 or with 30 years of service (regardless of age).
 - Tier 2: When retiring at age 60 or with 30 years of service (regardless of age).
 - OPSRP: When retiring at age 65 or at age 58 with 30 years of service.
- **Police and fire employees:**
 - Tier 1 and 2: When retiring between age 50 and 55 with 25 years of service, at age 55 (regardless of years of service), or with 30 years of service (regardless of age).
 - OPSRP: When retiring at age 60 or at age 53 with 25 years of service.
- **Judges:**
 - When retiring at age 65 under Plan A or at age 60 under Plan B. *(Dates are used for illustrative purpose only.)*

If you choose to use the 3-Year Catch-Up Provision, you must establish your normal retirement age by specifying the calendar year in which you plan to retire. This election does not require you to retire. If you are already age 70½, you are not eligible for the 3-Year Catch-Up Provision.

WHAT HAPPENS IF I CONTINUE WORKING AFTER THE DATE I SELECTED AS MY NORMAL RETIREMENT AGE?

You cannot continue with the 3-Year Catch-Up provision. However, you may continue to defer your regular deferral amount as well as participate in the 50-Plus Catch-Up.

CAN I CONTRIBUTE THE MAXIMUM CATCH-UP AMOUNT IF I RETIRE IN A CALENDAR YEAR IN WHICH I AM PARTICIPATING IN 3 YEAR CATCH-UP PROVISION?

Yes, you may contribute the maximum catch-up amount for that year as long as you have not declared that year as your proposed retirement date.

HOW DO I DETERMINE THE AMOUNT OF 3-YEAR CATCH-UP ALLOWED?

The eligible unused maximum 3-Year Catch-Up dollars is the amount under-deferred for the years you have been eligible to participate in the Plan. OSGP will assist you in calculating your eligible under-deferred dollars.

You may be required to produce past year documentation for the calculation of under-deferred dollars.

WHAT RESTRICTIONS APPLY TO THE 3-YEAR CATCH-UP PROVISION?

- a) The 3-Year Catch-Up is a “once in a lifetime” opportunity which may be used one time only. It must be used continuously and end before the year of your projected retirement date.
- b) You may participate in the 3-Year Catch-Up for not more than three consecutive calendar years. If you decide not to use one of the years, it may not be made up later.
- c) Non-use of the 3-Year Catch-Up means deferring less than the minimum annual dollar amount.
- d) Once you have designated normal retirement age to qualify to participate in the 3-Year Catch-Up provision, that date becomes irrevocable.
- e) If you are already age 70½, you are not eligible for the 3-Year Catch-Up provision.
- f) You cannot participate in the 50-Plus Catch-Up during the years in which you participate in the 3-Year Catch-Up.

HOW CAN I MAKE ARRANGEMENTS TO PARTICIPATE IN THE 3-YEAR CATCH-UP PROVISION?

Complete the attached 3-Year Catch-Up Enrollment Form and attach the necessary documentation as listed below:

- A.** Copies of your W-2s for the calendar years during which you have been eligible to participate in the program. (The earliest year for state employees is 1980.) For local government agencies, the earliest year is the year a 457 plan was adopted by the employer.

OR

- B.** Copies of your final paycheck stubs for the years in which you are catching up your deferrals (For state employees, they should be dated Period ending 11/30/20XX).

Submit enrollment form and all necessary documents to:

Oregon Savings Growth Plan
800 Summer Street NE, Suite 200
Salem, OR 97310

IMPORTANT: Please make sure your W-2s are readable and reflect unused dollars equal to or greater than the total amount you wish to catch-up.

The Oregon Savings Growth Plan staff will compute your dollars available for 3-Year Catch-Up and estimate your monthly deferral. Staff will contact you to determine the actual monthly deferral.

If you have any questions or need further information, please call the Oregon Savings Growth Plan Salem Office at **888.320.7377**.

Reference: IRC 457, ORS 243.400-243.507

3-YEAR CATCH-UP ENROLLMENT FORM



I. PERSONAL INFORMATION

Name		OR Number or SSN
Address		Daytime Phone
City, State, Zip		Evening Phone
Date of Birth	Years of Service	Agency
Email		

I wish to participate in the 3-Year Catch-Up program. I understand that:

1. The maximum deferral during 3-Year Catch-Up is double the normal deferral limit for three consecutive years prior to the date I have identified as my proposed retirement date.
2. Participating in the 3-Year Catch-Up provision is a once-in-a-lifetime option. If I discontinue the 3-Year Catch-Up at any time after beginning to participate, I will not be able to re-enroll.
3. If I reduce my contribution and my annual contributions are under the minimum annual amount I will be considered out of the 3-Year Catch-Up provision.
4. I may not participate in the 3-Year Catch-Up in the year identified as my proposed retirement date.
5. I may retire or terminate anytime either prior to or after my proposed retirement date.

My proposed retirement date is _____ (based on the “normal retirement date or later” identified in my employer’s pension plan).

I elect to start the 3-Year Catch-Up deferrals beginning in the month of _____. The 3-Year Catch-Up contributions will be deducted in the following years: _____, _____, and _____.

I hereby acknowledge that the information above is true and accurate, and I irrevocably elect the proposed retirement date identified above.

X _____
Participant’s Signature (Do not print) Date

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Information verified by Oregon Savings Growth Plan Office and confirmed with participant.

X _____
Signature of Oregon State Growth Plan Representative Date

In compliance with the Americans with Disabilities Act, OSGP staff will provide assistance in filling out this form to anyone who needs it. You may request assistance from Oregon Savings Growth Plan by calling **888.320.7377** or TTY **503.603.7517**