

## Maximum Benefit and Contributions Limits for 2000-2010

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>403(b) Elective Deferral Limit</b>	<b>\$16,500</b>	<b>\$16,500</b>	<b>\$15,500</b>	\$15,500	\$15,000	\$14,000	\$13,000	\$12,000	\$11,000	\$10,500	\$10,500
Annual Benefit Limit	\$195,000	\$195,000	\$185,000	\$180,000	\$175,000	\$170,000	\$165,000	\$160,000	\$160,000	\$140,000	\$135,000
Annual Contribution Limit	\$49,000	\$49,000	\$46,000	\$45,000	\$44,000	\$42,000	\$41,000	\$40,000	\$40,000	\$35,000	\$30,000
Annual Compensation Limit	\$245,000	\$245,000	\$230,000	\$225,000	\$220,000	\$210,000	\$205,000	\$200,000	\$200,000	\$170,000	\$170,000
<b>457(b) Deferral Limit</b>	<b>\$16,500</b>	<b>\$16,500</b>	<b>\$15,500</b>	\$15,500	\$15,000	\$14,000	\$13,000	\$12,000	\$11,000	\$8,500	\$8,000
Highly Compensated Threshold	\$110,000	\$110,000	\$105,000	\$100,000	\$100,000	\$95,000	\$90,000	\$90,000	\$90,000	\$85,000	\$85,000
Income Subject to Social Security	\$106,800	\$106,800	\$102,000	\$97,500	\$94,200	\$90,000	\$87,900	\$87,000	\$84,900	\$80,400	\$76,200
<b>Age 50+ Catch-Up Contributions</b>	<b>\$5,500</b>	<b>\$5,500</b>	<b>\$5,000</b>	\$5,000	\$5,000	\$4,000	\$3,000	\$2,000	\$1,000	n/a	n/a

The **403(b) Elective Deferral Limit** is the maximum voluntary (pre-tax / after-tax) contribution that can be made to the Baylor University Retirement Income Plan. (Internal Revenue Code section 402(g)(1)).

The **457(b) Deferral Limit** is similar to the **403(b) Elective Deferral Limit**.

The **Annual Benefit Limit** is the maximum annual benefit that can be paid to a participant (IRC section 415). The limit applied is actually the lesser of the dollar limit above **or** 100% of the participant's average compensation (generally the high three consecutive years of service). The participant compensation level is also subjected to the **Annual Compensation Limit** noted above.

The **Annual Contribution Limit** is the maximum annual contribution amount that can be made to a participant's account (IRC section 415). This limit is actually expressed as the lesser of the dollar limit **or** 100% of the participant's compensation, *applied to the combination* of employee contributions, employer contributions and forfeitures allocated to a participant's account.

In calculating contribution allocations, a plan cannot consider any employee compensation in excess of the **Annual Compensation Limit** (401(a)(17)). This limit is also imposed in determining the Annual Benefit Limit (above). In calculating certain nondiscrimination tests (such as the Actual Deferral Percentage), all participant compensation is limited to this amount, for purposes of the calculation.

The **Highly Compensated Threshold** (section 414(q)(1)(B)) is the minimum compensation level established to determine highly compensated employees for purposes of nondiscrimination testing.

**Age 50+ Catch up Deferral Limit:** Under the Economic Growth and Tax Relief Act of 2001 (EGTRRA), individuals over age 50 can make 'catch up' deferrals.

**15 Years of Service Catch-up Contribution:** If you have been employed with Baylor University for 15 years, and your average 403(b) contribution has been less than \$5,000 per years, you may be eligible for this contribution. **[PLEASE COMPLETE THE 403\(b\) CATCH-UP WORKSHEET TO DETERMINE YOUR ELIGIBILITY.](#)**

To make changes to your **pre-tax 403(b)** and **Roth 403(b)** elective deferrals, you will need to complete a Salary Reduction Agreement and return it to the Compensation & Benefits Office no later than the day before the first day of the payroll period for which it is effective.

To make **changes** to an existing 457(b) salary deferral agreement, or to **enroll** in a 457(b) Salary Deferral Plan, you will need to complete the appropriate agreement and return it to the Compensation & Benefits Office one month prior to the effective date of your salary deferral.