

**2009 INTERNAL REVENUE CODE (IRC) LIMITS AND COMPARISON CHART  
TAX SHELTERED ANNUITY (403(b)), STATE DEFERRED COMPENSATION (457) AND STATE THRIFT (401(k)) PLANS**

*Eligibility: Generally, all employees are eligible to participate in the 403(b) program with the exception of certain student classifications and Special Consultants. The following employees are prohibited from joining the 457 and 401(k) plans: seasonal or temporary employees required to be enrolled in the Part-time, Seasonal and Temporary Employees Retirement Program (PST Program).*

TSA PLAN (403(b))	DEFERRED COMP (457)	THRIFT PLAN (401(k))
Deferred tax on investment	Deferred tax on investment	Deferred tax on investment
\$15 min. contribution per warrant	Initial investment: \$50 minimum; thereafter, \$20 min. contribution per warrant	Initial investment: \$50 minimum; thereafter, \$20 min. contribution per warrant
Variety of investment choices	Variety of investment choices	Variety of investment choices
Assets held by selected fund sponsors	Assets held in trust	Assets held in trust
The lesser of \$16,500/yr, or 100% of adjusted taxable income.*	100% of compensation up to \$16,500/year.*	100% of compensation up to \$16,500/year.*
Hardship withdrawal for severe financial hardship.	Hardship withdrawal for unforeseeable financial emergency.	Hardship withdrawal for severe financial hardship.
Choice of payout method	Choice of payout method	Choice of payout method
Eligible roll over to another employer's 403(b), 401(k)**, or governmental 457(b)** plan, or to a 401(a) plan. In-service 403(b) plan transfers to any of the selected five fund sponsors allowable after January 1, 2009. Eligible rollover to an IRA is based on distributable event (age 59 ½ and/or separation from CSU employment).	Eligible roll over distribution to an IRA, another employer's governmental 457(b), a 401(k), a 401(a), or 403(b) plan.	Eligible roll over distribution to an IRA, or to another employer's 401(k), a 457(b) governmental plan, a 401(a), or 403(b) plan.
Eligible rollover in from another employer's 403(b), 401(k) or governmental 457(b) plan	Eligible rollover in from another employer's governmental 457(b) plan only	Eligible rollover in from a Traditional IRA, another employer's 401(k) plan, or from 403(b)** plan
Surviving spouse of participant may roll over distributions. Non-spousal beneficiary may roll over distributions to an inherited IRA.	Surviving spouse of participant may roll over distributions. Non-spousal beneficiary may roll over distributions to an inherited IRA.	Surviving spouse of participant may roll over distributions. Non-spousal beneficiary may roll over distributions to an inherited IRA.
No tax averaging available	No tax averaging available	See #3 under Notes
15-year "Catch-up" provision may be available for up to \$3,000 per year, for a lifetime maximum of \$15,000. Participants must prove eligibility by submission of completed Maximum Contribution Calculation Worksheet.  Additional \$5,500 age based catch-up deferral for 2009 available to participants who have reached age 50 by the end of the calendar year and who have hit plan or dollar limit, including 15 year catch-up, if eligible.	Special 457 "Catch-up" provision available. Contact the Savings Plus Program for details.  Additional \$5,500 age based catch-up deferral for 2008 available to participants who have reached age 50 by the end of the calendar year and who have hit plan or dollar limit.  Participants in this plan cannot utilize both catch-up provisions listed above in the same calendar year.	15-year "Catch-up" provision is not available.  Additional \$5,500 age based catch-up deferral for 2008 available to participants who have reached age 50 by the end of the plan year and who have hit plan or dollar limit.
At least age 55 and retired, or 59 ½ (regardless of employment status) - receive plan payout without tax penalty.	Plan payout upon retirement or separation from State service without tax penalty (no age requirement).	Distributions prior to age 59 ½ may be subject to an early withdrawal tax penalty.

\*403(b) plans apply the 100% limit to the employee's taxable income PLUS employee pre-tax contributions to 403(b), 132(f) (pre-tax parking) and 125 plans (Dependent Care Reimbursement Account, Health Care Reimbursement Account, and Tax Advantaged Premium Plan). Employee pre-tax contributions to CalPERS retirement are not included. For 401(k) and 457(b) plans, limits are based on 100% of compensation up to \$16,500, for tax year 2009.

\*\*Please note: The Savings Plus Program 457(b) plan does not accept rollovers from 403(b) plan distributions. 403(b) rollovers into the 401(k) plan can only be accepted if the employee has an existing 401(k) plan with assets and has a distributable event (reaches age 59-1/2 and/or separates from CSU employment).

**NOTES:**

- Maximum contribution limits for these plans are all interrelated.** If an individual participates in more than one plan in the same calendar year, he/she may be limited by the lowest maximum. Please note: 401(k) and 403(b) deferrals do not count against the 457(b) dollar limit and 457(b) deferrals do not count against the 401(k) and 403(b) dollar limit.
- These statements are general comparisons only.** For specific information refer to your tax advisor. For the Deferred Compensation and Thrift Plans, additional information is available from the Department of Personnel Administration's Savings Plus Program (SPP) Office at (866) 566-4777 or [www.sppforu.com](http://www.sppforu.com).
- Averaging treatment is still available for lump sums paid from a 401(k) plan to grandfathered participants born before January 2, 1936.**