



Reform Pension Board
Maximum Pension Plan Contribution Limits
RPB Plan Year 2011

The IRS places limits on the contributions that can be made to the RPB 403(b) plan. The contribution limits are determined by the type of contribution that is being made. There are two types of contributions that can be made to the RPB:

1. Employer contributions are made by an employer to the RPB. Employer contributions represent pension contributions, which are in addition to a participant's regular salary (and parsonage, if applicable).
2. Participants can contribute to the RPB by making an elective salary deferral, in which a contribution is made from his or her paycheck to the RPB by entering into a salary reduction agreement with their employer. The elective salary deferral is a pre-tax deduction from salary.

Both employer contributions and elective salary deferrals must be paid by the employer to the RPB. Employer contributions and elective salary deferrals have different maximum contribution limits as follows:

- Employer Contributions – For the 2011 RPB plan year, which runs from July 1, 2010 through June 30, 2011, the maximum contribution that an employer can contribute to the RPB 403(b) plan is \$49,000 or 100% of the participant's includable salary if the includable salary as reported to the IRS is less than \$49,000. (Includable salary is the participant's salary excluding parsonage.) This is the IRS maximum contribution limit. If an employer's contribution exceeds the maximum contribution limit, the overage will be applied to the participant's RPB Rabbi Trust Account.
- Elective Salary Deferrals – The maximum amount allowable by a participant as an elective salary deferral in the 2011 RPB plan year is \$16,500 or 100% of the participant's includable salary if the includable salary as reported to the IRS is less than \$16,500.
- Over 50 Catch-Up Provision – Beginning with the RPB plan year in which participants attain the age of 50, the elective salary deferral portion of a contribution can be increased. Participants who attain the age of 50 or older during the 2011 plan year may increase their elective salary deferral by \$5,500 to a maximum of \$22,000. In any case, the participant's elective salary deferral cannot exceed their includable salary.
- Combined Limits – The combined contribution limit to the 2011 plan year is \$49,000 unless the over 50 catch-up provision is utilized. If the over 50 catch-up provision is utilized, the combined maximum contribution limit is increased up to \$54,500 (the \$49,000 limit and a dollar for dollar increase for the over 50 catch-up amount). In any case, a contribution for a participant cannot exceed their includable salary.

There are no minimum pension contribution requirements.