

Information Needed to Calculate Voluntary Tax Sheltered Annuity Maximum

Description of Information	Code in Formulas	Space for Agency Use
Contract Type (GE, AA, AB, AC, or 15)		_____
Type of Retirement Plan (TSA or KPERS)		_____
Years of Service at End of Calculation Year (w/ Continuous Employment) If less than 1, use 1.	N	_____
Annual Gross Wages		_____
Fringe Benefit Income		_____
Cost of Taxable Group Life		_____
Calculation Salary (Total of Above Three Items)	S	_____
KPERS Employee Contributions Including KPERS Buyback	P/U	_____
TSA Employee Contributions (TAMRA)	M	_____
TSA Employer Contributions	C	_____
VTSA Employee After-Tax Contributions	D	_____
Deferred Compensation Employee Contributions	DC	_____
KPEDCP Employer Contributions (Kansas Public Employees Deferred Compensation Plan)	KPEDCP	_____
TSA Employee Contributions for All Years Through the End of the Previous Year		_____
TSA Employer Contributions for All Years Through the End of the Previous Year		_____
VTSA Employee Before-Tax Contributions for All Years Through the End of the Previous Year		_____
KPERS "Priors" Calculation (See Below to Calculate)		_____
Total Prior Year Contributions Through End of Prior Year (Total of Above Four Items)	P	_____
<u>For Contract Type AA (Alternative A - "Year of Separation") Only:</u>		
Years of Service for Alternative A - See IRS Publication 571	N(10)	_____
Prior Contributions (Employee & Employer) for the Past Ten Years Only	P(10)	_____
<u>For 15 Year Rule Only:</u>		
Amount the Employee Has Contributed Above \$9,500 Since 1987 Through Previous Year	Y	_____
Voluntary Employee Contributions for Prior Years	Z	_____

If the employee is a current KPERS participant, calculate the KPERS "priors" below:

1. Annual Gross Wages + Fringe Benefit Income	_____
2. Years of Service at Normal Retirement Age (65)	_____
3. KPERS Rate for Calculating Benefits	1.75%
4. Projected Annual KPERS Benefit (Multiply amounts from above 1 x 2 x 3.)	_____
5. Normal Retirement Age Factor (Factor from Table I, based on 65 or actual age if higher than 65.)	_____
6. Years of Service Factor (Factor from Table II, based on years of service at normal retirement age.)	_____
7. Years of Service	_____
8. Multiply the above four amounts together, 4 x 5 x 6 x 7.	_____
9. KPERS Employee Contributions That Were Taxed (Contributions prior to 7/1/1984.)	_____
10. KPERS "Priors" Subtract the amount for 9 from 8.	_____

Year 2000 Calculations for Voluntary Tax Sheltered Annuity Maximum

Contract Type			Voluntary 403(b) Limits for Full-Time Employees with TSA (TAMRA Plan)	Voluntary 403(b) Limits for Full-Time Employees with KPERS
GE General Limit	403(b)	Step 1:	$.2(S - M) \times N - (C + P + M)$	$[\.2(S - P/U) \times N] - P$
	415(c)	Step 2:	$.25(S - M) - (C + D + M)$	$.25(S - P/U)$
	415(c)	Step 3:	$30,000 - (C + D + M)$	$30,000$
	402(g)	Step 4:	$10,500$	$10,500$
	Lessor of the above steps:			
AB Alternative B "Any Year Limit"	403(b)	Step 1:	$.2(S - M) \times N - (C + P + M)$	$[\.2(S - P/U) \times N] - P$
	415(c)(4)(B)	Step 2:	$.25(S - M) - (C + D + M) + 4,000$	$.25(S - P/U) + 4,000$
	415(c)(4)(B)	Step 3:	$15,000 - (C + D + M)$	$15,000$
	402(g)	Step 4:	$10,500$	$10,500$
	Lessor of the above steps:			
AC Alternative C "Overall Limit"	415(c)	Step 1:	$.25(S - M) - (C + D + M)$	$.25(S - P/U) - (D + C + P/U)$
	415(c)	Step 2:	$30,000 - (C + D + M)$	$30,000 - (D + C + P/U)$
	402(g)	Step 3:	$10,500$	$10,500$
	Lessor of the above steps:			
AA Alternative A "Year of Separation from Service Limit"	415(c)(4)(A)	Step 1:	$.2(S - M) \times N(10) - (C + P(10) + M)$	$.2(S - P/U) \times N(10) - P(10)$
	415(c)	Step 2:	$30,000 - (C + D + M)$	$30,000$
	402(g)	Step 3:	$10,500$	$10,500$
	Lessor of the above steps:			
15 15 Year Rule	402(g)(8)(A)	Step 1:	$13,500$	$13,500$
	402(g)(8)(A)	Step 2:	$10,500 + (15,000 - Y)$	$10,500 + (15,000 - Y)$
	402(g)(8)(A)	Step 3:	$10,500 + (5,000 \times N) - Z$	$10,500 + (5,000 \times N) - Z$
	Lessor of the above steps:			

If the employee also has Deferred Compensation, the following limit must be applied to the voluntary tax sheltered annuity contributions:

Deferred Compensation	457(b)	Step 1:	$.25(S + KPEDCP) - .75C - M - DC$	$.25(S + KPEDCP) - DC$
	457(b)	Step 2:	$8,000 - M - DC$	$8000 - DC$
	Lessor of the steps:			

Tables from IRS Publication 571

Table I	
Value at normal retirement ages of annuity of \$1.00 per year payable in equal monthly installments during the life of the employee.	
<u>Ages</u>	<u>Value</u>
40	11.49
41	11.40
42	11.31
43	11.22
44	11.12
45	11.01
46	10.91
47	10.79
48	10.68
49	10.56
50	10.43
51	10.30
52	10.18
53	10.04
54	9.89
55	9.75
56	9.60
57	9.44
58	9.28
59	9.13
60	8.96
61	8.79
62	8.62
63	8.44
64	8.25
65	8.08
66	7.88
67	7.70
68	7.50
69	7.29
70	7.10
71	6.88
72	6.68
73	6.46
74	6.25
75	6.03
76	5.82
77	5.61
78	5.40
79	5.20
80	4.99

Table II	
Level annual contribution which will accumulate to \$1.00 at the end of a number of years.	
<u>No Yrs</u>	<u>Amount</u>
1	1.0000
2	0.4808
3	0.3080
4	0.2219
5	0.1705
6	0.1363
7	0.1121
8	0.0940
9	0.0801
10	0.0690
11	0.0601
12	0.0527
13	0.0465
14	0.0413
15	0.0368
16	0.0330
17	0.0296
18	0.0267
19	0.0241
20	0.0219
21	0.0198
22	0.0180
23	0.0164
24	0.0150
25	0.0137
26	0.0125
27	0.0114
28	0.0105
29	0.0096
30	0.0088
31	0.0081
32	0.0075
33	0.0069
34	0.0063
35	0.0058
36	0.0053
37	0.0049
38	0.0045
39	0.0042
40	0.0039
41	0.0036
42	0.0033
43	0.0030
44	0.0028
45	0.0026
46	0.0024
47	0.0022
48	0.0020
49	0.0019
50	0.0017