

MACOMB COMMUNITY COLLEGE UNIVERSAL AVAILABILITY NOTICE FOR 2023

403(b) Plans

Macomb Community College provides you with the opportunity to save for your retirement through the College's 403(b) plan. A 403(b) plan is a voluntary contribution plan available to educational institutions that allows you to make pre-tax contributions for retirement savings. The details of the College 403(b) plan, and the eligibility of our employees who wish to participate, is as follows:

Eligibility

- All part-time and full-time employees are eligible to participate (independent contractors are not permitted to participate).

Enrollment

- Employees are permitted to submit salary reduction forms to the college's payroll department at any time. The requested salary reduction contributions will begin at the first payroll period following receipt of the salary reduction agreement. Employees are also reminded that the proper annuity account or custodial account application will need to be established with the necessary investment provider prior to receiving the requested contributions.
- The following information is available to aid employees in participation in the 403(b) plan:
 - A list of the approved investment providers can be obtained on the payroll staff portal page or click this link: [MCC List of Investment Providers](#)
 - The salary reduction form is located on the college's staff portal under Financial Services/Payroll/Forms: [Payroll 403\(B\) Salary Reduction Form](#). A new form must be completed if you want to take advantage of the increased limit.
 - The application and other contract paperwork can be obtained through the investment provider or a representative of that provider.

Contribution and Investment Elections

- Salary deferrals to the 403(b) plan are made on a pre-tax basis. The contribution is taken directly from the employee's salary and invested in the plan before federal and state taxes are withheld, which means that the contributions lower your taxable income.
- Investments held in the 403(b) plan grow tax deferred. Any earnings on plan investments are not taxable as long as they remain in the plan. Only when an employee begins to receive distributions from the plan will he or she pay income tax.
- Employees can contribute the lesser of \$22,500 in 2023, as indexed, to *all elective deferral plans* in which you participate or 100 percent of your taxable compensation. This is an increase of \$2000 from last year.
- Additionally, the plan permits the following catch-up contributions to be made by eligible employees:
 - \$7,500 for employees that are age 50 or older by the end of the current tax year, 12/31/2023, for a total of \$30,000.
 - ** Up to \$3,000 for employees who have worked 15 or more years with the College by the end of the current tax year provided the employee has not contributed, on average, \$5,000 or more for each prior year of service, and provided the additional amounts used under the increased limit have not reached \$15,000 or more.

****** This catch-up contribution is permitted only if a calculation is submitted with the salary reduction agreement confirming eligibility.

457 Plans

Macomb Community College also provides 457 plans to our employees. A list of providers are available on the payroll staff portal page or click this link: [MCC List of Investment Providers](#). The new limit for the 457 plan is also \$22,500 for 2023, with an additional \$7,500 for employees over the age of 50 by 12/31/2023. The salary reduction form is also located on the payroll staff portal: [Payroll 457 Salary Reduction Form](#).

If an employee participates in a 457 Plan outside of Macomb Community College, such as the VOYA plan with MPSERS, it is the employee's responsibility to monitor their contributions to ensure they do not exceed the annual contribution limit.

More Information:

Administrative services for the Macomb Community College 403(b) and 457 plans are provided by TSA Consulting Group (also known as TSACG). All participant distribution requests (loans, hardship withdrawals, and other distributions) and any transfer requests must be sent to and approved by TSA Consulting Group. Please see attached flyer for more information. TSA Consulting Group contact information is as follows:

TSA Consulting Group
P.O. Box 4037
Fort Walton Beach, FL 32549
Toll-free: 888-796-3786
www.tsacg.com

Please be sure to consult with your tax, investment, or legal advisor before participating in the 403(b) plan. Macomb Community College does not provide tax, investment, or legal advice.