



## Put Your 457 Deferred Compensation Plan To Work

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Save towards  
your future. Contributions  
reduce this year's tax bill.

For more information,  
talk to your local ICMA-RC  
representative!

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**Get Started Today...** Complete the plan enrollment form and return it to your personnel department. Here are answers to some common questions.

### How Much Can I Contribute Pre-Tax?

- For 2011, the maximum contribution is \$16,500 or 100% of your gross compensation<sup>1</sup>, whichever is less.
- Or, if you will be age 50 or older during 2011, you may contribute up to an additional \$5,500, for a total of \$22,000.

### Can I Transfer Assets from Other Retirement Plans to my 457 Plan?

Yes, and consolidating may enable you to simplify and better manage your investments! We can help evaluate whether it makes sense.

### When Can I Withdraw Money from the Plan?

When you separate from service with your employer. However, you are not required to begin withdrawing until after age 70½, allowing tax deferral until you need the money in retirement! Also:

- 457 plan withdrawals are not subject to penalty taxes, regardless of age.<sup>2</sup>
- While employed, funds may only be withdrawn due to an emergency.<sup>3</sup>

### Why ICMA-RC?

We are an independent, non-profit organization dedicated to helping public employees build retirement security throughout their working and retirement years since 1972.

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### Contact:

### Details:

<sup>1</sup> Your gross compensation must first be reduced by any mandatory, pre-tax ("picked up") employee 401 plan contributions.

<sup>2</sup> A 10% penalty tax never applies to withdrawals of original 457 plan contributions and associated earnings. However, the penalty may apply to non-457 plan assets that are rolled into a 457 plan and subsequently withdrawn prior to age 59½.

<sup>3</sup> Must be attributable to an "unforeseen emergency" resulting in financial hardship, as defined by the IRS.