

How Much Can I Contribute?

SAVE MONEY AND RETIRE TOMORROW

In 2012, you have an opportunity to save toward your retirement and make up for lost time with contribution limits up to \$34,000. How much can you contribute within IRS limits? This guide will show you.

	Annual limit	Age 50+ Catch-Up for participants age 50 or older	Special Catch-Up 3 years prior to normal retirement
2012	\$17,000	\$22,500	\$34,000
2013 and later	Expected to be adjusted for inflation in \$500 increments		

2012 Contribution Limits

Annual Limit: The minimum contribution amount to participate in the Massachusetts Deferred Compensation SMART Plan (SMART Plan) is \$10 per pay period or 1% of your gross income. You can contribute a maximum of 100% of your includible compensation, not to exceed the annual IRS limit of \$17,000 in 2012.

Age 50+ Catch-Up: If you are age 50 or older during the 2012 calendar year, you may contribute an additional \$5,500. This amounts to a maximum contribution of \$22,500 for 2012.

Special Catch-Up: During the three consecutive years prior to, but not including, the year you attain normal retirement age, if you have undercontributed to the SMART Plan or another employer-sponsored retirement plan in the past, you may be able to contribute up to an additional \$17,000 in 2012. This amounts to a maximum contribution of \$34,000 for 2012. If you elect to use the Special Catch-Up provision, you are not required to make the maximum allowable contribution.

The Special Catch-Up and Age 50+ Catch-Up provisions cannot be used in the same year. You should evaluate

which catch-up provision is most favorable for you.

A worksheet is available to help you determine your Special Catch-Up contribution eligibility. Before you get started, it is helpful to gather required information:

- The number of years you were eligible to contribute to the SMART Plan or other qualified retirement savings plans after January 1, 1979.
- Your annual compensation for previous years. You can get this information from your IRS W-2 forms, or from other records that indicate your compensation.
- The amount you contributed to the SMART Plan or other qualified retirement savings plans in previous years. You can get this information from previous years' plan account statements.

To request a Catch-Up Application and worksheet, please call the SMART Plan Service Center at (877) 457-1900.¹ For help determining your Special Catch-Up contribution eligibility, please contact your local representative at (877) 457-1900 (say "Representative") or go to www.mass-smart.com > Contact Us > Find Your Local Representative.²

What is "normal retirement age"?

The SMART Plan defines normal retirement age as the age at which you have the right to retire with unreduced benefits from your pension plan.

If I participate in another retirement plan, is my annual contribution limit reduced?

No. There is an opportunity for you, if eligible, to participate in multiple retirement plans and maximize contributions. Annual contribution limits to a 457 plan are not reduced by deferrals to 403(b) and 401(k) plans.

May I increase or decrease my contribution amount or stop contributing?

Yes. You may increase, decrease or stop your deferrals at any time by calling the SMART Plan Service Center at (877) 457-1900 or through the website at www.mass-smart.com > Account Access > Change Contribution Amount.¹

¹ Access to your SMART Plan Service Center and website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

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