



A 457(b) Program

Your Business ... POWERed by CPI

A 457(b) plan is a retirement program adopted in accordance with the Internal Revenue Code to allow employees of certain eligible governmental or tax-exempt entities to voluntarily save for retirement with pre-tax dollars. A 457(b) plan is generally funded solely with employee salary reduction contributions.

Eligibility Requirements

Eligible employers include tax-exempt employers and state and local governments.

Eligible employees are generally those working for state and local governments.

- ▲ If the entity is a tax-exempt employer, only a select group of management or highly compensated employees can participate in the plan.

Plan Benefits

Contributions are tax-deferred until assets are withdrawn

Earnings are tax-deferred until assets are withdrawn

Employer contributions, if applicable

No combined testing

No discrimination testing

No ADP testing

No Top-Heavy testing

No Form 5500 filing

Contributions

Participants may contribute up to a maximum of \$16,500 (as indexed), or 100% of includable compensation, whichever is less.

- ▲ Pre-retirement catch-up rules increase these limits for participants age 50 and older

Distributions

Retirement

Separation from employment

Death

Disability

Unforeseeable emergency

If permitted by local and state government-sponsored plans, loans are available

Note. Withdrawals are subject to ordinary income tax.

Portability

Governmental plan participants with a distributable event may roll their 457(b) plan distribution into one of the following plan types. Some restrictions may apply.

- ▲ 457(b) plan
- ▲ 401(k) plan
- ▲ 401(a) plan
- ▲ 403(b) plan

Call today. 800.491.7859

CPI Qualified Plan Consultants, Inc.
1809 24th Street | P.O. Box 1167 | Great Bend, KS 67530-1167
www.cpiqpc.com®
800.279.9916 ext. 765 or 800.491.7859