

Syracuse City School District

ARE YOU AWARE OF YOUR 403(b) BENEFIT?

New accounts may be opened with the following approved service providers.

THE OPPORTUNITY

You have the opportunity to save for retirement by participating in your Employer's 403(b) retirement plan. A 403(b) plan is a retirement plan for certain employees of public schools, tax-exempt organizations and ministries. We recommend that all employees visit our education page which can be found here:

<https://www.omni403b.com/Employees/Education>

WHY SAVE WITH 403(b)?

1. You do not pay income tax on allowable contributions until you begin making withdrawals from the plan, usually after your retirement.
2. Investment gains in the plan are not taxed until distribution.
3. Generally, retirement assets can be carried from one employer to another.

Future retirement savings value assuming 6% growth

Monthly Contributions	5 Year	15 Years	20 Years
\$50	\$3,489	\$14,541	\$23,102
\$200	\$13,954	\$58,164	\$92,408
\$500	\$34,885	\$145,409	\$231,020

HOW CAN I PARTICIPATE?

Prior to contributing you must open an account with an investment provider authorized in the Plan, a list of which is available on the right. You may then complete a Salary Reduction Agreement (SRA) online at:

<https://www.omni403b.com/SRA>

If you are already contributing to your Employer's Plan and you want to change your contribution amount or investment provider, simply complete and submit a new SRA. You can begin or change your contributions as soon as your next payment cycle following our receipt of a completed SRA.

HOW MUCH CAN I CONTRIBUTE ANNUALLY?

In 2023 you may contribute up to \$22,500 if you are 49 years of age or below and up to \$30,000 if you are 50 years of age and over. You may also be entitled to additional catch-up provisions like the 15 Year Service Catch-up. Please contact OMNI's Customer Care Center at **877.544.6664** for further details

Contribution Limits		15 Yr. Service Catch-up (if eligible)	Maximum Employer Contributions	Combined Limit	
Age 49 & below	Age 50 & above			Age 49 & below	Age 50 & above
\$22,500	\$30,000	\$3,000	\$66,000	\$66,000	\$73,500

LOOKING FOR HELP?

Click the link below for an investment professional to reach out to you.

<https://www.omni403b.com/PlanDetail>

AMERICAN CENTURY SERVICES LLC
 AMERIPRISE FINANCIAL RIVERSOURCE
 ASPIRE FINANCIAL SERVICES
 CONFIDENTIAL PLANNING MULTICHOICE
 COREBRIDGE FINANCIAL FORMERLY AIG VALIC
 EQUITABLE FORMERLY AXA
 GWN EMPLOYEE DEPOSIT ACCT
 INVESCO OPPENHEIMERFUNDS
 IPX INVESTMENT PROVIDER XCHANGE
 METLIFE
 NY LIFE INS ANNUITY CORP
 PENSERV SMARTSAV FORMERLY FORESTERS
 PLANMEMBER SERVICES CORP
 SECURITY BENEFIT
 THE LEGEND GROUP A LINCOLN INVESTMENT COMPANY
 VOYA FINANCIAL NATL NY
 NEW YORK STATE DEFERRED COMP PLAN 457
 ROTH NYS DEFERRED COMP PLAN 457





THE ROTH FEATURE

How much do you know about it?



The Economic Growth and Tax Relief reconciliation Act of 2001 first allowed investors to make after-tax contributions to a retirement plan, have earnings grow tax free, and be withdrawn tax free (in some cases). Through this legislation, the Roth IRA was born and it has since become a very popular retirement investment tool. In 2006, Roth 401(k) and Roth 403(b) plans were introduced, allowing participants to enjoy this new feature by contributing directly from their paychecks. Notably, these plans are subject to higher contribution limits than a Roth IRA.

New Accounts may be opened with the following approved investment Providers:

- Aspire
- Confidential Planning - MultiChoice
- Corebridge Financial (formerly AIG/VALIC)
- Equitable (formerly AXA)
- **Fidelity Management Trust (Grandfathered)
- GWN/Employee Deposit Acct
- Invesco OppenheimerFunds
- IPX - Investment Provider Xchange
- **Mass Mutual Financial Group (Grandfathered)
- MetLife
- PenServ SmartSAV (formerly Foresters)
- PlanMember Services
- Security Benefit
- The Legend Group, A Lincoln Investment Company
- **Vanguard Fiduciary Trust Co. (Grandfathered)
- Voya Financial (Natl NY)

Quick Roth 403(b) Facts

- In traditional 403(b) arrangement, money you contribute into the plan is deducted from your taxable income for the year. In contrast, your contribution to a Roth 403(b) is subject to income tax on the amount contributed. Please refer to the chart below as an example.
- Roth plans allow for tax growth and distribution, provided the contributions have been invested for at least 5 years and the account owner has reached the age of 59 ½.
- Unlike a Roth IRA, there are no income restrictions. Anyone earning income can contribute!
- In the instance of a hardship withdrawal or a standard distribution (provided you do not meet the above stipulations), only interest and investment earnings are taxable as the principal has already been taxed.

For more information, please visit the district's page through OMNI's website -

Plan Type	Traditional 403(b)	Roth 403(b)
Annual Income for Year	\$40,000	\$40,000
403(b) Contributions for year	\$5,000	\$5,000
Taxable Income for year	\$35,000	\$40,000
Tax Liability for 403(b) assets after age 59½ (Assuming contributions have been in more than 5 years)	Taxable Income for the year the money is withdrawn	0%