



**DIVISION MEMORANDUM 2022-03**  
**November 22, 2022**

**ATTENTION:** Human Resource, Benefit and Payroll Officers, and State Employee Participants in the 457 Deferred Compensation and 403(b) Plans

**SUBJECT:** 2023 IRS Maximum Contribution Limits and the Need to Restart Contributions for Participants who stopped contributions during 2022

## **I. INTRODUCTION**

The purpose of this memorandum is to announce the 2023 Internal Revenue Service (IRS) limits for contributions to the State of Connecticut's 457 Deferred Compensation Plan and 403(b) Deferred Compensation Plan. It also explains that employees need to monitor their contributions to avoid exceeding the IRS limits. It will also explain how participants who elected to stop plan contributions during 2022 can restart them for 2023.

## **II. CONTRIBUTION LIMIT**

Each year, the IRS sets a maximum amount that employees may contribute to the 457 or the 403(b) plan. For 2023, the maximum amount someone under the age of 50 may contribute to a 403(b) or 457 plan is \$22,500. Employees who will be at least age 50 by December 31, 2023, may contribute an additional \$7,500.

The annual limit applies to pre-tax contributions, post-tax contributions, or any combination of the two. Employees who are eligible for both the 403(b) and 457 plans may contribute the 2023 maximum amount to each plan.

Employees who have applied and were approved for the 457 plan Special 3-Year Catch-Up Option may be eligible to contribute a maximum of \$45,000 in 2023. If you are eligible and wish to use the Special 3-Year Catch-Up option, you must apply to do so the year before you want to begin making such contributions.

### III. RESTARTING AND INCREASING CONTRIBUTIONS IN 2023

Employees who elected to stop their contributions to the 403(b) plan or the 457 plan during 2022 must take action if they want to re-start their contributions for calendar year 2023. The attached Payroll Cut-off Schedule shows the effective date of the contribution change, based upon the date each request is received by Empower. Employees whose plan contributions stopped due to an unpaid leave of absence will also need to re-start contributions following return to work. If an employee's deductions were suspended automatically due to the employee having reached the IRS maximum in 2022, Empower will restart the contributions without further action by the employee. Nevertheless, **all** employees are encouraged to review their first paycheck in January to confirm that their 457 or 403(b) plan contribution amounts are correct.

Employees enrolled in the 457 and 403(b) plans can restart their contributions online by following these instructions:

- 1) Log on to [www.ctdcp.com](http://www.ctdcp.com)
- 2) Click on 'ACCESS ACCOUNT'
- 3) Enter your user id and password
- 4) Under 'Manage Account' select 'Contribution'
- 5) Next to your contribution amount, select 'Change'
- 6) Enter your contribution amount
- 7) Click on "OK"
- 9) Review your new contribution amount
- 10) Select 'Apply Changes'

Employees will receive a confirmation page with a tracking number.

Empower can also accept contribution changes and restarts for the 457 and 403(b) plans by telephone. Employees can reach Empower at **844-505-SAVE (7283)**.

For all other employees actively contributing to the 403(b) and 457 plans in 2022, the employee's contribution election will continue for 2023, unless they actively initiate a change.

### IV. MONITORING ANNUAL CONTRIBUTIONS

Employees must monitor their total plan contributions to avoid exceeding the IRS limit. For most participants, the CORE-CT system will automatically suspend contributions once the IRS limit is reached. However, the automatic suspension in CORE-CT does not prevent over-contributions where an employee:

- 1) Makes both pre-tax and after-tax contributions to the same plan,
- 2) Submits a new contribution amount after the IRS limit is reached,
- 3) Restarts a contribution in the same year after reaching the IRS annual limit or
- 4) Changes employee record numbers within the calendar year.

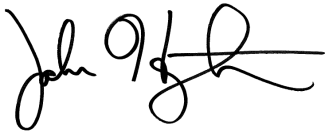
If an employee has excess contributions at the end of the 2022 calendar year, Empower will perform a review and refund the excess contribution in March of 2023.

Employees can suspend contributions after reaching the IRS maximum by submitting a contribution change to Empower. See the attached Payroll Cut-off Schedule, which shows the effective date of the contribution change, depending on when the change request is received.

## V. CONCLUSION

Payroll and Human Resources Personnel are encouraged to provide this information to all employees. Questions regarding the 403(b) or 457 plan should be directed to Empower, either by calling 844-505-SAVE (7283) or by logging on to [www.CTDPC.com](http://www.CTDPC.com). Employees may also contact the Retirement Services Division's Deferred Compensation Unit at [DeferredCompPlans@ct.gov](mailto:DeferredCompPlans@ct.gov).

Very truly yours,

A handwritten signature in black ink, appearing to read "John W. Herrington". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John W. Herrington, Director  
Retirement Services Division

Paper form contribution changes (faxed or mailed) received between these dates by 4pm EST	Online and Phone-In Contribution changes made between these dates by 4pm EST	Will be effective for the following pay date below		
		Bi-Weekly Check Date	Semi-Monthly Check Date	Monthly Check Date
10/13/22 to 10/27/22	10/15/22 to 10/31/22	11/18/22	11/30/22	12/2/22
10/28/22 to 11/8/22	11/1/22 to 11/10/22	12/02/22	12/15/22	
11/9/22 to 11/16/22	11/11/22 to 11/18/22	12/16/22	12/30/22	01/06/23
11/17/22 to 11/28/22	11/19/22 to 11/30/22	12/30/22	12/30/22	
11/29/2022 to 12/14/22	12/1/22 to 12/16/22	01/13/23	01/13/23	02/03/23
12/15/22 to 12/28/22	12/17/22 to 12/30/22	01/27/23	01/31/23	
12/29/22 to 1/11/23	12/31/22 to 1/13/23	02/10/23	02/15/23	03/03/23
1/12/23 to 1/27/23	1/14/23 to 1/31/23	02/24/23	02/28/23	
1/28/23 to 2/8/23	2/1/23 to 2/10/23	3/10/2023	3/15/2023	04/06/23
2/9/23 to 2/24/23	2/11/23 to 2/28/23	03/24/23	03/31/23	
2/25/23 to 3/15/23	3/1/23 to 3/17/23	04/06/23	04/14/23	05/05/23
3/16/23 to 3/29/23	3/18/23 to 3/31/23	04/21/23	04/28/23	
3/30/23 to 4/12/23	4/1/23 to 4/14/23	05/05/23	05/15/23	06/02/23
4/13/23 to 4/26/23	4/15/23 to 4/28/23	05/19/23	05/31/23	
4/27/23 to 5/3/23	4/29/23 to 5/5/23	6/2/2023	6/15/2023	07/07/23
5/4/23 to 5/17/23	5/6/23 to 5/19/23	06/16/23	<b>No payroll</b>	
5/18/23 to 5/26/23	5/20/23 to 5/31/23	6/30/2023	6/30/2023	08/04/23
5/27/23 to 6/14/23	6/1/23 to 6/16/23	07/14/23	07/14/23	
6/15/23 to 6/28/23	6/16/23 to 6/30/23	07/28/23	07/31/23	09/01/23
6/29/23 to 7/12/23	7/1/23 to 7/14/23	08/11/23	08/15/23	
7/13/23 to 7/27/23	7/15/23 to 7/31/23	08/25/23	08/31/23	10/06/23
7/28/23 to 8/9/23	8/1/23 to 8/11/23	09/08/23	09/15/23	
8/10/23 to 8/29/23	8/12/23 to 8/31/23	09/22/23	09/23/23	11/03/23
8/30/23 to 9/13/23	9/1/23 to 9/15/23	10/06/23	10/13/23	
9/14/23 to 9/27/23	9/16/23 to 9/29/23	10/20/23	10/31/23	12/1/23
9/28/23 to 10/11/23	9/30/23 to 10/13/23	11/03/23	11/15/23	
10/12/23 to 10/27/23	10/14/23 to 10/31/23	11/17/23	11/30/23	01/05/24
10/28/23 to 11/8/23	11/1/23 to 11/10/23	12/01/23	<b>No payroll</b>	
11/9/23 to 11/15/23	11/11/23 to 11/17/23	12/15/23	12/15/23	
11/16/22 to 11/28/23	11/18/23 to 11/30/23	12/29/23	12/29/23	

The cut-off date is the last date that a participant can submit a change for the corresponding check date.