

## GENERAL PLAN INFORMATION

- What is the Deferred Compensation 457 Plan?
  - The State of Connecticut Deferred Compensation 457 Plan (457 Plan) is a voluntary retirement program that gives you the opportunity to save for retirement to supplement the benefit you will receive from your mandatory retirement plan. You choose how much to contribute and your contribution is deducted directly from your paycheck
- How do I enroll? Do I have to wait to enroll?
  - You can enroll online or via form at the following link (link [www.CTDCP.com](http://www.CTDCP.com))
  - There is no waiting period to enroll. You may enroll at any time, beginning on your date of hire
- The enrollment form asks for my plan number, employee record number, department ID, pay group, and employee ID. Where do I find this information?
  - The Plan Number for the 457 Plan is 010081
  - The other information can be found on your paystub. If you have not yet received your first paycheck, please contact your Human Resources Office or Payroll Department to obtain this information
- How do I access my 457 account?
  - You can access your 457 account at any time by visiting [www.CTDCP.com](http://www.CTDCP.com). Once you are logged in, you can view your balance, update your investments, change your contribution rate, request statements, and more. You will need to register your account if it is your first time logging in
- Do I need to elect a beneficiary? How do I make my election?
  - It is very important to name a beneficiary on all of your retirement accounts. Any benefit that will be payable upon your death will be made to the person(s) named on your account. Naming a beneficiary ensures that your chosen loved ones will receive your benefit as you choose and it will help take care of them should you pass away. Please be sure to you're your beneficiaries updated throughout any life changes – such as divorce, marriage, birth or adoption of children, or a named beneficiary passing away – or any time you would like to change your election
  - You can change your beneficiary election online or via form at the following link (link [www.CTDCP.com](http://www.CTDCP.com))
- Who do I contact with questions on the plan?
  - Please contact the Empower Customer Service Center by calling 844-505-SAVE (844-505-7283) or schedule a meeting with an Empower retirement counselor by visiting <https://www.ctdcp.com/counselors.html>

## CONTRIBUTIONS

- Can I make pre-tax contributions or Roth contributions?
  - You can contribute pre-tax, after-tax (Roth), or a combination of the two
- Is there a minimum amount that I must contribute per paycheck?
  - There is no minimum contribution amount per pay period. You can change your contribution rate at any time

- Does the State match my contributions to the 457 plan?
  - No, the 457 is a voluntary retirement plan made up of your contributions. It is supplemental to the retirement benefit you receive from the State
- How do I update my contribution amount?
  - Contributions can be updated through Empower either online or via form at the following link (link [www.CTDCP.com](http://www.CTDCP.com))
- How are my contributions invested?
  - You choose how you want your contributions to be invested. The list of investment options is available on the [www.ctdcp.com](http://www.ctdcp.com) website. Empower also offers GoalMaker®, an optional asset allocation and rebalancing service that invests among the investment options in your plan based on your "investor style" and time horizon, at no extra cost
  - In the event you do not provide an investment election to the Plan Administrator, your Account will be invested in the default Investment Fund designated by the Plan Administrator
- Can I roll over funds from another retirement account?
  - Yes, the 457 plan accepts rollovers from pre-tax 401, 403(b), 457(b) plans; traditional IRAs; and Roth accounts under 401, 403(b), or 457(b) plans. The plan does not accept rollovers of after-tax dollars or rollovers from Roth IRAs
- Can I make additional contribution from my checking or savings account?
  - No, all contributions are funded via State of Connecticut payroll compensation only. The only other assets you can move to your account is through an eligible rollover, as described above
- What is the annual contribution limit?
  - Each year the IRS sets an annual contribution limit, which places a limit on the total contributions one can make to the 457 plan. The limit for 2023 is \$22,500. This limit applies to pre-tax contributions, Roth contributions, and the sum of the two
  - There are special provisions allowing select participants to contribute more than the annual contribution limit
    - Participants who will be Age 50+ by the end of the year may contribute an additional \$7,500 for a total annual contribution limit of \$30,000
    - Participants who are participating in the 3 year special catch-up provision may contribute up to \$45,000\* in 2023. \*The exact annual contribution limit is determined by underutilized deferrals from prior years, based on the amount elected at the time of application
    - You can only participate in one catchup option (Age 50+ **or** 3 Year Special Catch-Up) at a time
- What happens if I go over the annual contribution limit?
  - If you contribute beyond the IRS annual contribution limit, you should stop your contributions immediately. Empower will process your refund of the excess contributions in the first quarter of the following calendar year and provide you a 1099 Form for tax purposes
- What is the Special 3 Year Catch-Up provision and who is eligible for it?
  - This provision allows those eligible for the State of Connecticut Deferred Compensation Section 457 Plan to catch-up on amounts that they didn't contribute to the 457 Plan in prior

years, known as underutilized contributions. These additional catch-up contributions can be made only during the three years prior to the attainment of the elected Normal Retirement Age

- Those eligible for both the 403(b) and 457 Plans may contribute the IRS maximums (including age 50+ catch-up maximum) each year into both the 403(b) and 457 Plans. Therefore, anyone who is eligible for the 403(b) Plan is not permitted to participate in the Special 3-Year Catch-Up option
- How do I apply for the Special 3 Year Catch-Up provision?
  - Submit a completed (link form) State of Connecticut Deferred Compensation Section 457 Plan Special 3-Year Catch-Up Provision Application along with your W-2s for the elected prior years to [DeferredCompPlans@ct.gov](mailto:DeferredCompPlans@ct.gov) or mail to 165 Capitol Ave, Hartford, CT 06106. The application must be submitted in the year prior to when you wish to begin participation
- Do I need to apply for the age 50+ catch-up provision?
  - No, you do not need to apply for the age 50+ catch-up provision. The age 50+ annual contribution limit will be automatically applied to your account

## **DISTRIBUTIONS**

- How much will I receive from my 457 plan?
  - The balance of your 457 account is dependent upon your contributions, the performance of your investment choices, and potentially any assets you roll in to the plan from other retirement plans, such as a previous employer's 401(k) or an IRA
- When can I take a distribution of my account?
  - You can receive a distribution of your 457 account when you experience a distributable event. The distributable events are: separation from service, retirement, death, unforeseeable emergency, if you are age 59 ½ and still employed by the State, a one-time in-service distribution of account values of \$5,000 or less is allowed, if you have not made contributions to the plan during the last two years and you have not received this type of in-service distribution from the plan in the past
- Do I have to close or move my account upon separation from service?
  - No, you do not need to close or move your account upon separation from State service. You can leave your funds within the plan and make investment changes as needed. No new contributions can be made if you are not employed by the State of CT or if you are a rehired retiree.
- Is there an early withdrawal penalty tax for distributions taken prior to age 59 ½?
  - No, there is no IRS 10% premature distribution penalty tax applied to distributions taken before age 59 1/2
- What are my payment options?
  - Payment options include: partial or lump-sum withdrawal, systematic withdrawal (specified period or specified amount), estate conservation option, rollover to another eligible retirement plan or IRA, or a combination of payout and annuity options
- Is there a loan provision?

- Yes, the plan allows you to borrow up to 50% of your account balance or \$50,000, whichever is less