



New York City

Deferred Compensation 457 Plan

Deferral Acceleration for Retirement (DAR) Form for the 457 Plan



DAR Regulations

Deferral Acceleration for Retirement (DAR), the "catch-up" provision of the New York City Deferred Compensation Plan, permits you to increase the maximum amount you may contribute to the Plan in each of the three consecutive calendar years before the year you designate as your "Normal Retirement Age."

Normal Retirement Age (NRA) is the age chosen by you in the range of years beginning with the earliest age at which you may retire with full pension benefits up until age 70 ½. If you are not in the pension system, the limit on your choice of NRA is the range of ages from 65 to 70 ½.

The DAR provision allows you to catch up on contributions for years in which you were otherwise eligible to participate in the Plan, but did not contribute the maximum amount you would have been permitted to contribute. The maximum contribution amount for the years 1986 through 1997 was the lesser of \$7,500 or 25% of your annual compensation and for years 1998 through 2000, it was the lesser of \$8,000 or 25% of your annual compensation. For 2001, the maximum annual contribution amount was the lesser of \$8,500 or 25% of your annual compensation. For 2002, the maximum annual contribution amount was the lesser of \$11,000 or 50% of your annual compensation. For 2003, the maximum annual contribution amount was the lesser of \$12,000 or 50% of your annual compensation. The difference between the maximum annual contribution amount and the amount you actually contributed each year is the amount available for deferral through the catch-up program.

Beginning in 2002, the maximum deferral with DAR for each of the three consecutive calendar years is twice the applicable regular contribution limit for the year. This means that total Plan deferrals (regular contribution plus DAR) may not exceed \$22,000 in 2002, \$24,000 in 2003, \$26,000 in 2004, \$28,000 in 2005 and \$30,000 in 2006. A "calendar year" can be defined as *any* year during which DAR is utilized, regardless of the month DAR begins. For example, if you start DAR deductions in June, you have seven months to use DAR in that calendar year. This period counts as one full calendar year, even though there are only seven months available to utilize DAR. You can then only use DAR in the next two consecutive calendar years.

Utilizing DAR

To elect this provision, you must select a dollar amount to be deducted from each paycheck making up for amounts not contributed during previous years. Be sure that the sum of all your payroll deductions (regular 457 Plan contributions, DAR, pension, taxes, etc.) does not exceed your paycheck, otherwise, no contribution for DAR will be taken.

You may not use DAR in the year you designate as your Normal Retirement Age. If you do not separate from City service upon attainment of Normal Retirement Age, you may continue to work and participate in the Plan, but you may not use DAR a second time. You may not elect DAR if you already elected a catch-up provision while with a previous employer, or have always contributed the maximum contribution amount to the Plan and, therefore, have no underutilized contributions.

Please note: Beginning in 2002, participants age 50 or older may make additional contributions to the 457 Plan equal to \$1,000 in 2002, increased by \$1,000 each year to \$5,000 in 2006. This amount will automatically be added to the regular annual goal amount for that year and is not dependent upon prior underutilized amounts. This "age 50 and older" additional contribution amount may not be used during the three years you are using the regular 457 catch-up provision. The "age 50 and older" additional contribution cannot be classified as an underutilized contribution for DAR purposes.

Please return form to:

New York City Deferred Compensation Plan
40 Rector Street, 3rd Fl.
New York, NY 10006
Tel: 212-306-7760



Deferred Compensation 457 Plan
Deferral Acceleration for Retirement Form (DAR)
 40 Rector Street, 3rd Fl., New York, NY 10006, 212-306-7760



Last Name:		First Name:	
Address:			
City:		State:	Zip:
Home Phone: () -	Work Phone: () -	Year of Chosen NRA*:	
Social Security No.:	Check One: <input type="checkbox"/> Managerial <input type="checkbox"/> Uniformed <input type="checkbox"/> Civilian (Non-Managerial)		
Agency:		Date of Birth:	
Are you: <input type="checkbox"/> (a) electing DAR for the first time? <input type="checkbox"/> (b) changing your DAR deduction? <input type="checkbox"/> (c) suspending DAR at this time? <input type="checkbox"/> (d) a member of the pension system?		Do you get paid: <input type="checkbox"/> (a) weekly? <input type="checkbox"/> (b) biweekly? <input type="checkbox"/> (c) semi-monthly? (742/744 Dept. of Education, Q Bank Only)	

a. Calculate your total underutilized 457 contributions for DAR:

1) Catch-up Year	2) Salary For Year	3) Maximum Contribution**	4) Amount Contributed	5) Underutilized Contributions (#3 - #4)
TOTAL:				

- b.** Total amount of underutilized contributions (Total a.5): _____
- c.** Amount previously contributed to DAR during your three year period: _____
- d.** Total amount you wish to contribute to DAR (not to exceed b - c): _____
- e.** Total # of pay periods you wish to participate in DAR: _____
- f.** Exact dollar amount you wish to contribute to DAR/payperiod (d/e): _____

The amount in **f.** will be deducted from your pay in addition to your normal Deferred Compensation contribution. Your total deductions to the 457 Plan for year 2004 cannot exceed \$26,000. You may change the amount you wish to contribute to DAR by completing a new DAR Form. You may not make DAR contributions in the year that you designate as your Normal Retirement Age.

* Normal Retirement Age (NRA) is the age chosen by you in the range of years beginning with the earliest age at which you may retire with full pension benefits up until the age 70½. Or if you are not in the pension system, NRA may be between the ages of 65 and 70½. You may choose a Normal Retirement Age greater than age 70½ if you continue to work past age 70½, you will not be permitted to use DAR in the year you separate from City service.

** Maximum Contribution for years prior to 2002 is the lesser of 25% of your salary for that year or the annual maximum contribution amount for that year (see reverse side).

I affirm that the information given on this form is true and accurate.

Signature: _____ Date: _____

Do Not Write in This Box				
	Initial	Date (MM/DD/YYYY)	PMS Document #	Goal Amount
Payroll		/ /		