



New York City

Deferred Compensation Plan

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



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 73. If you are not in the pension system, the limit on your choice of NRA is the range of ages from 65 to 73.

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 table below shows maximum annual contribution amounts for past years.

Years	Maximum Annual Contribution Amount (without DAR)
1986 through 1997	\$7,500 or 25% of your annual compensation, whichever was less
1998 through 2000	\$8,000 or 25% of your annual compensation, whichever was less
2001	\$8,500 or 25% of your annual compensation, whichever was less
2002	\$11,000
2003	\$12,000
2004	\$13,000
2005	\$14,000
2006	\$15,000
2007 and 2008	\$15,500
2009, 2010, and 2011	\$16,500
2012	\$17,000
2013 and 2014	\$17,500
2015, 2016 and 2017	\$18,000
2018	\$18,500
2019	\$19,000
2020 and 2021	\$19,500
2022	\$20,500
2023	\$22,500
2024	\$23,000

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.

The maximum deferral with DAR for each of the three consecutive calendar years is twice the applicable regular contribution limit for the year. 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.

The “age 50 and older” additional contribution amount may not be used during the three DAR years. Furthermore, the “age 50 and older” additional contribution cannot be classified as an underutilized contribution for DAR purposes.

