

**ALAMEDA COUNTY DEFERRED COMPENSATION PLAN
CATCH-UP PROVISION INFORMATION SHEET**

INFORMATION

Within the provisions of the 457 Deferred Compensation Plan, an eligible participant has the opportunity to make up, or “catch up”, deferral amounts they did not maximize during prior years.

The catch-up provision is for a period of three consecutive calendar years, and is a one-time allowable provision. A participant may begin catch-up three years prior to “normal retirement age, without actuarial reduction”, as defined by the Alameda County Retirement Association (ACERA), as follows:

Tier I Retirement Members:	Age 57	Qualified to begin catch-up at age 54
Tier II Retirement Members:	Age 57 ½	Qualified to begin catch-up at age 54 ½
Safety Members:	Age 50	Qualified to begin catch-up at age 47

If eligible, the Treasurer’s Office will complete a catch-up calculation by accessing W-2 wage information. We can search back to 1979, if the participant was employed by the County at that time, and eligible to participate in the Plan (even if not actually participating). The *difference* between the maximum amount the participant *could have deferred* and the amount they *actually deferred* is the catch-up amount for each year.

You cannot contribute the age 50 and over contribution amount and the three year catch-up amount at the same time. Per legislation effective January 2002 (the Economic Growth and Tax Relief Reconciliation Act of 2001), and current IRS figures, the catch-up maximum is twice the regular annual maximum.

	Normal Maximum	Catch-Up Maximum	Bi-Weekly Deferral
Year: 2012	\$17,000	\$34,000	\$1,307.69 (26 p.p.)

Participants should contact the Treasurer’s Office in October of the prior year to allow time for completion of the paperwork. It is best to start catch-up at the beginning of a year so all 26 pay periods can be utilized, but it may start later in the year (at a higher deferral amount). Catch-up requests received after October may not be processed in time for the first pay period of the following year.

Participants are not required to defer the maximum catch-up amounts. During the catch-up period, the participant is allowed to modify their deferral amount, as long as that amount still falls within the guidelines of the provision. Participants may also discontinue deferrals and re-start deferrals any time within the designated three-year catch-up period.

After completion of the three-year catch-up period, the participant’s deferral amount must be reduced so as not to exceed the following year’s normal maximum amounts.

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You may obtain catch-up calculations and further information from Darnell Williams, Deferred Compensation Assistant.

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Deferred Compensation Administration
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