

WESTLAKE CITY SCHOOL DISTRICT

To: All Employees
From: Mark Pepera, CFO/Treasurer
Date: 9-23-08
Re: Tax-Sheltered Annuity Contributions

On January 1, 2009, the IRS is changing some of the rules relating to "tax-sheltered annuities" ("TSAs"). TSAs are designed to be tax-qualified under Section 403(b) of the federal tax law.

To comply with the new IRS rules, we are providing you with the attached Employee Summary. It is designed to help explain the tax law rules and School District rules that relate to TSAs. In that regard, four important things you need to know are:

- If you are currently making salary deferrals to a TSA, you need to check to see if your TSA provider will be permitted to continue to accept your deferrals after January 1, 2009. An approved TSA provider list can be located at: <http://www.westlake.k12.oh.us/AdminBldg/Treasurer/finances.htm>.
- You need to advise the Treasurer's office of any TSAs that you made contributions to before January 1, 2009 as an **employee** of our School District, **but are no longer using for your deferrals**.
- New/revised Salary Reduction agreements are due in the Treasurer's office by December 1, 2008 (Effective January 1, 2009)
- Current contributions to the Ohio Deferred Compensation program (457 plan) are not impacted by this change

Please contact the Treasurer's office if you have questions.

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