

Perth Amboy Board of Education

ADMINISTRATION HEADQUARTERS BUILDING

178 Barracks Street

Perth Amboy, New Jersey 08861

Tel: (732) 376-6200 Fax: (732) 638-1004



Derek J. Jess

School Business Administrator/

Board Secretary

TAX-SHELTERED ACCOUNTS: 403(B)

A tax-sheltered account is an investment option that will allow you to invest money directly from your salary on a tax-deferred basis, for your future. The investments provided by 403(B) plans are in mutual funds and annuities (insurance). The Perth Amboy Board of Education has approved the following companies to offer these types of investments to our district employees:

- The Equitable
- Lincoln Investments
- MetLife Resources
- AIG Retirement Services/VALIC

The maximum amount that may be invested in a given calendar year must coincide with the “limitations set forth in P.L. 93-406 (Employment Retirement Income Security Act of 1974) and Section 415(c) of the Internal Revenue Code of 1954 as amended.” To determine what the current limits are, you may view www.irs.gov or www.403bwise.com. Due to the complexity of the maximum exclusion allowance and as a protection to the Board and its employees, all investment companies will be required to sign the section of the enrollment application that states - **the maximum contribution that is allowed by law shall not exceed and the investment companies will be liable for any penalties imposed if the allowance is exceeded.**

Enclosed is the “Salary Modification” form that authorizes that deductions from your salary are to be deposited into the tax-sheltered account that you have chosen. After contacting the investment company you have chosen from the list, complete the top part of the form and submit it to your investment professional. The investment professional will certify the amount that you have authorized to be deducted from your salary, and they will return this form to the payroll office. **NO** deductions will be made unless both parties have completed and signed the form, and it is also signed by the business administrator.

Please direct all investment questions to the investment firms listed above.

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The Perth Amboy Board of Education recognizes the following approved companies for **Tax Sheltered Companies:**

- **Equitable/AXA Advisors**

333 Thornall Street, 8th Floor

Edison, NJ 08837-2220

Alan Friedman, alan.friedman@axa-advisors.com

(732) 452-6918

Cesare Cagnina, cesare.cagnina@axa-advisor.com

(732) 452-7246

- **Lincoln Investment Planning, Inc.**

485C Route 1 South, Suite 215

Iselin, NJ 08830

Joseph Caterina, jcaterina@lincolninvestment.com

(646) 239-9138 Cell

(732) 874-5942, Ext. 5309 Office

107 South Avenue West, Suite 2A

Cranford, NJ 07016

Scott Wands, swands@lincolninvestment.com

(800) 528-8924, Ext. 16 Office

- **MetLife**

1305 Campus Parkway, Wall Township, NJ 07753-6819

Dina DelRe, ddelre@financialguide.com

(908) 812-0751

Woodbridge Financial Services

Valerie Quartiere, vquartiere@woodburyfinancial.net

(732) 757-5387

- **AIG Retirement Services/VALIC**

100 Connell Drive

Berkeley Heights, NJ 07922

Jennifer Karaczun, Jennifer.Karaczun@valic.com

(908) 407-4110

(908) 907-6940

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SALARY MODIFICATION FORM

By this agreement between _____, _____
(Print Name of Employee) (SS #)

and the Board of Education of the City of Perth Amboy (employer) the parties agree as follows:

1. Effective with the amounts earned on or after the _____ day of _____, 2021, the employer agrees to reduce the employee's annual salary by \$ _____ and pay a like amount to _____ for the purchase of a Tax-Sheltered Annuity contract as described in Section 403(B) of the Internal Revenue Code.
2. The Amount of reduction in accordance with R.S. 52-18A-113 shall not exceed the limitations set forth in P.L. 93-406 (Employment Retirement Income Security Act of 1974 and Section 415(c) of the Internal Revenue Code of 1954 as amended for such year. For 2021, the maximum contribution limit is: \$19,500 and participants age 50 or older may make an additional catch-up contribution in the amount of \$6,500.
3. Either party may terminate the agreement upon written request.
4. Any reduction of salary agreed to there under should be deemed a reduction in salary for the purpose of obtaining the benefits afforded under the Federal Internal Revenue Code and shall be the determination based upon the total amount of the employee's salary. Please make sure that the monthly amount multiplied by 10 or 12 months equals the annual amount.

Monthly Amount: \$ _____

Annual Amount: \$ _____

10-Month Deduction 12 Month Deduction

Signature of Employee

Date

Certification

The above mentioned insurance company guarantees the maximum exclusion allowed calculated by a representative and will not exceed the maximum allowable by law. Company will pay any interest or penalties imposed on the employee of the Board; if it's determined that the maximum exclusion allowance has been exceeded.

Company Stamp Below:

Signature of Authorized Office

Print Name and Title

MUST HAVE ORIGINAL SIGNATURE OF ALL PARTIES:

Signature of Business Administrator

Date