

# BEST BENEFITS BULLETIN

Number 2003-4, 20 Aug 03

Phones: 1-800-997-2378 or Commercial (210) 527-2378 / TDD 1-800-382-0893 or Commercial (210) 565-2276

BEST Homepage: [www.afpc.randolph.af.mil/dpc/best/menu.htm](http://www.afpc.randolph.af.mil/dpc/best/menu.htm)

EBIS: [www.afpc.randolph.af.mil/dpc/BEST\\_GRB/EBIS.htm](http://www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm)

## Thrift Savings Plan (TSP) Catch-Up Contributions Enrollment Begins 25 Aug 03

*Good news!* Beginning Monday, 25 Aug 03, the Benefits and Entitlements Service Team (BEST) will accept elections from eligible Air Force-serviced civilian employees who wish to enroll and make TSP catch-up contributions for calendar year 2003.

### ***What are TSP Catch-Up Contributions and Who is Eligible***

Catch-up contributions are additional tax-deferred contributions, separate from regular TSP contributions. The maximum TSP catch-up contribution for 2003 is \$2,000. To be eligible, you must:

- be age 50 or older in the year in which you submit your election (by 31 Dec 03 for 2003);
- be in a pay status;
- be making regular TSP contributions at either the maximum TSP percentage allowed by your retirement plan or an amount that will result in reaching the IRS annual elective deferral limit by the end of the year; and
- not be in the 6-month noncontribution period following a financial hardship in-service withdrawal.

### ***Effective Dates***

Elections submitted 25 Aug 03 through 6 Sep 03 will be effective 7 Sep 03, with the first withholding deducted on pay date 26 Sep 03. Elections submitted on or after 7 Sep 03 will be effective at the beginning of the following pay period.

### ***Amount of Deduction***

You may contribute any amount you choose per pay period as long as it does not exceed your net pay or the annual catch-up contribution limit of \$2,000. If you wish to spread your contribution deductions evenly over the remainder of the year, you will first need to determine how many pay dates remain in 2003 and divide \$2,000 by that number to arrive at the amount to contribute each pay date. For example, there are 7 pay dates remaining in 2003 for enrollments effective 7 Sep 03. If the enrollment is effective 21 Sep 03, there are only 6 pay dates left.

### ***Catch-Up Contribution Elections Not Tied to Open Season***

Eligible employees may start, change, stop, or restart catch-up contributions at any time -- they aren't restricted to open seasons like regular TSP contributions. In addition, there are no agency

matching contributions on catch-up contributions. Catch-up contributions are invested in your TSP account according to your most current contribution allocation on file with the TSP.

### ***When Contributions Stop***

Catch-up contributions will automatically stop with the last pay date in the calendar year (19 Dec 03) or upon reaching the maximum catch-up dollar limit for the year, whichever occurs first. Because the IRS annual elective deferral limit for catch-up contributions changes each year, participants must make a new election each year.

### ***How to Enroll***

You will submit enrollment elections through the BEST automated phone system by dialing 1-800-997-2378, or commercial 527-2378 if calling within the San Antonio TX area. Employees located overseas will first dial the toll-free [AT&T direct access number](#) for the country in which located, then 800-997-2378. When the phone system answers, press 2 for benefits and entitlements, 1 for current Air Force-service employees, and enter your social security number (SSN) and PIN at the prompt. When you reach the main menu, press 3 for Thrift Savings Plan, then 5 to elect, change or stop TSP catch-up contributions.

At this time we do not believe the web-based Employee Benefits Information System (EBIS) will be ready to accept catch-up contribution enrollments. When EBIS is ready, we'll post a notice on the BEST Homepage ([www.afpc.randolph.af.mil/dpc/best/menu.htm](http://www.afpc.randolph.af.mil/dpc/best/menu.htm)).

Hearing impaired employees may enroll by calling our TDD toll-free line: 1-800-382-0893, or commercial 565-2276 if calling within the San Antonio TX area. A BEST benefits counselor will assist with the enrollment.

For additional guidance on how to reach the BEST phone line, read our brochure "[How to Access the Benefits and Entitlements Telephone Automated System.](#)"

### ***Additional Information***

Many of you are already asking when BEST will begin accepting enrollments for calendar year 2004. If you are otherwise eligible to make catch-up contributions, the key to when you may submit your 2004 enrollment is tied to your age:

- For those who are age 50 (or older) by 31 Dec 03, you may submit your 2004 enrollment beginning 30 Nov 03. (If submitted 30 Nov 03 - 13 Dec 03, your enrollment will be effective 14 Dec 03. The pay date for this pay period falls in 2004.)
- For those who turn age 50 between 1 Jan and 31 Dec 04, you may submit your election on or after 1 Jan 04.

Additional information on the TSP catch-up contributions program is available on the [BEST Homepage](#) under Thrift Savings Plan.