

Max Tanner, Superintendent
Tony Sappington, Asst. Superintendent



Breanna Rogers, Business Finance Manager
Cindy Lovelace, Payroll Clerk
Danna McGuire, Activity Fund Custodian

January 15, 2021

To: All employees of Oologah-Talala Public Schools
From: Oologah-Talala Public Schools
Re: **Notice of 415(c) Retirement Contribution Limits**

Each year, the Internal Revenue Service (IRS) requires plan sponsors to perform annual testing to ensure that your total contributions to the 403(b) plan and other covered plans do not exceed the legal contribution limits.

You may disregard this notice if one of the following applies:

- The Oologah-Talala Public Schools 403(b) plan is the only defined contribution plan you participate in **OR**
- You contribute to any other employer's plan, but you do not own at least 50% of that company

However, if you make contributions to both the Oologah-Talala Public Schools 403(b) Plan and a plan sponsored by an entity of which you are at least a 50% owner (a "Participant Owned Plan"), the IRS rules that govern these plans require that your contributions under both plans be combined for certain compliance testing.

According to the Internal Revenue Code, your combined contributions under both plans may not exceed the lesser of:

- 100% of your compensation or
- \$54,000 (as adjusted for cost-of-living increases)

Failure to satisfy the contribution limits may lead to disqualification of the 403(b) Plan as well as any other participant-owned plan you participate in and may lead to adverse tax consequences for you and other participants in all the affected plans.

Action Required:

To ensure the continued status of the 403(b) Plan and any participant-owned plan, please advise Oologah-Talala Public Schools if you maintain a participant-owned plan so we can obtain your contribution information from that plan. **Please notify us on or before 1/29/21. If we have not been notified by this date, we will deem you to have certified that you do not maintain a participant-owned plan and no deferral contributions under other defined contribution plans will not be taken into account for purposes of determining whether your contributions exceed IRS limits.**

If you have any questions about this notice, please contact **Breanna Rogers** at **918-443-6000 ext. 6079**.