

403(b) Information

Eligibility

You are eligible to participate in a Section 403(b) Tax Shelter Annuity if you work an average of 20 hours each week during your 'work year'.

The OMNI Group is our 403(b) Tax Shelter Annuity third-party-administrator.

To begin participation, select a company from Bloomington Public School's **Approved 403(b) Plan Vendors** and establish an account with the vendor you choose.

After opening an account with a vendor, you will need to complete a 403(b) Salary Reduction Agreement online on the OMNI Group web page at www.omni403b.com by clicking the **Forms** tab and select **Online**, select **IL** for Employer State, type in **Bloomington Public Schools, District 87** for Employer. Contact OMNI with any questions at (877)544-6664.

For any type of 403(b) **funds transaction** (transfer, rollover, distribution, etc.) contact OMNI Group by visiting their website at www.omni403b.com or by phone (877)544-6664.

If you have any other questions [click here to e-mail us](#).

What are the benefits of contributing to a 403(b) plan?

The pre-tax elective deferrals that you make to the plan now are not taxed until you withdraw them. This means you are lowering your taxable income now, and will potentially lower the amount of income tax you will pay on those funds at the time of withdrawal when you may be in a lower tax bracket.

Both your pre-tax elective deferrals and earnings grow tax-free until they are withdrawn.

You may want to view a brief video on OMNI's website, www.omni403b.com, called "**Why Me?**".

How much can I contribute to a 403(b) plan?

In 2018, you may make elective deferrals up to \$18,500. As this amount is subject to cost of living increases as set by the government, this amount may increase over time. If you will be age 50 or older sometime during the 2018 calendar year, you are eligible to contribute an additional amount that is known as an "age 50 catch-up contribution". The limit on the age 50 catch-up contribution is \$6,000 and can be contributed on top of the deferral limit of \$18,500. Therefore, participants eligible to make the age 50 catch-up contributions can contribute up to \$24,500 to the 403(b) Plan for the 2018 calendar year.

In addition to the age 50 catch-up, if you have completed at least 15 years of service with Bloomington Public Schools, District #87 you may be eligible to contribute up to \$3,000 a year above the elective deferral limit until the amount of the cumulative annual additional contributions made using this special rule equals \$15,000. If you have 15 years of service with your employer and want to utilize this additional 15 year of service catch-up contribution no action is required now, once you have exceeded \$18,500 OMNI may request additional information from you in order to determine the amount you are able to contribute to the 15 year of service catch-up. Participants who are eligible for both the age 50 catch-up rule and the 15 years of service catch-up contribution are required to use the 15 years of service catch-up contribution first.