Deferring Your Leave

Highlights
Defer your unused annual leave payment into your Texa$aver 401(k) and/or 457 Plan when you leave employment.

The 2013 maximum annual limit for before-tax and Roth contributions combined in each Plan is:

- $17,500 for employees under age 50
- Age 50 and Over Catch-up: $23,000 for employees age 50 and over
- Special 457 Catch-up: $35,000 for employees within three years of retirement

Leaving State Employment?
Turn your unused Annual Leave Payment into retirement savings. Defer your lump-sum Annual Leave Payment in the form of before-tax or Roth (after-tax) contributions to your Texa$aver 401(k) and/or 457 Plan.

Save Today and Pay Less Tomorrow
State agency employees are paid for unused annual leave when they leave employment. You can defer all or part of your unused annual leave payment as a before-tax or Roth contribution into your Texa$aver 401(k) and/or 457 Plan when you leave employment. Putting your annual leave payment into Texa$aver lets you boost your retirement savings on either a before-tax or Roth basis.

If you are not enrolled in Texa$aver, you still have this option, as long as you enroll in Texa$aver before 3 p.m. on your last day on payroll.

There are two ways to enroll:

- Online: Visit www.texasaver.com. You will need a personal identification number (PIN) to enroll online. You can get a PIN at www.texasaver.com or by calling (800) 634-5091.
- By Mail: Visit www.texasaver.com to download and complete the Enrollment and Beneficiary Forms located in the Forms section, then mail them to:

  Great-West Retirement Services®
  PO Box 173764
  Denver, CO 80217-3764

Deferring Your Leave
To defer your unused annual leave payment, talk to your benefits coordinator or contact the human resources office, CAPPS (for HHSC employees), or the payroll office as part of the exit process at your agency. If you take no action prior to your last day on payroll, your unused annual leave payment will be sent to you and taxed.

When you defer your annual leave payment, you pay Social Security and Medicare taxes. Federal income tax may be withheld on the amount that is deducted for Social Security and Medicare taxes.

Questions? Call Texa$aver at (800) 634-5091.
You may also find more information at the ERS website. Click on “Customer Service,” “Frequently Asked Questions,” and “Deferring Your Leave.”

1 If you have a 457 Plan account, you cannot use the Age 50 and Over Catch-up Provision while using the Special 457 Catch-up Provision. The Special 457 Catch-up Provision is not available in the 401(k) Plan. You must fill out a separate catch-up application to use either catch-up provision.
2 Employees of higher education institutions may be paid for unused annual leave; however, the lump sum is considered taxable income.
3 Access to the Information Line and website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance, or other reasons.
4 The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

Core securities, when offered, are offered by Texa$aver Program through GWFS Equities, Inc. GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

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