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COMMISSIONER OF ADMINISTRATION

**State of Louisiana**  
Division of Administration  
**Office of State Uniform Payroll**

May 28, 2008

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2008-38

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary  
Director

SUBJECT: Deferred Compensation and Tax Shelter Annuity Limits for Calendar Year 2008

For calendar year 2008, the limitations on deferrals under §457(e)(15) of the Internal Revenue Code (ISIS HR plans 457A, 457B, 457C, 457D, 457R, and 457S) and §403(b) of the IRS code (IT014 403(b) deductions) remain unchanged. The plans continue at \$15,500 per year or 100% of includible compensation (gross wages paid minus deferred retirement contributions), whichever is less. These limits remain at \$20,500 for employees age 50 or over. The catch-up limit for the §457(e)(15) stayed the same at \$31,000 per year for those contributors who are within three years of retirement, but not in the year of retirement. Other limits under §403(b) may apply based on certain allowable elections made by the employee. Refer to the employee application or contact the vendor to determine if an employee is exercising an allowable election.

**Note:** Employees who are enrolled in both the 457R and 457S plans may contribute a total of \$15,500 combined. Employees who work in agencies where both the 457 and 403(b) plans are available may fully contribute up to the annual contribution limits in both plans. Employees may contact the LA Deferred Compensation Plan staff or their respective 403(b) provider for more information.

Agencies are responsible for monitoring employee contribution amounts throughout the year to avoid employees exceeding the annual limits. The following two reports are available in ISIS HR to aid in the monitoring of balances:

ZP68 Dependent Care/Health Care/Deferred Comp Balances Monitor Report  
ZP119 403(b) Contributions Balance Report

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Agencies should contact LA Deferred Compensation Plan staff on questions regarding §457 deductions. Information pertaining to these changes is posted on LA Deferred Compensation's website ([https://louisianadcp.gwrs.com/employer/updates\\_cont.html](https://louisianadcp.gwrs.com/employer/updates_cont.html)). Agencies should contact the individual vendor on questions regarding 403(b) deductions. Agencies can also visit the IRS website (<http://www.irs.gov>) for more information about deferrals and tax shelters. Direct all other questions to a member of the OSUP Wage and Tax Administration Unit at [\\_DOA-OSUP-WTA@la.gov](mailto:_DOA-OSUP-WTA@la.gov) or (225):

Tiko Ary	342-1651	Cindy McClure	342-5346
Wendy Eggert	342-0714	Tracy Smith	219-0191
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