



Title: Payroll/Personnel Manual

Chapter:

Bulletin: Title I, 12-28, Thrift Savings Plan (TSP) Changes

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To: Subscribers of All Title I Publications (Payroll/Personnel)

Effective in January 2006, the percentage limitations on Thrift Savings Plan (TSP) employee contributions were lifted. Employee contributions to TSP are limited only by the restrictions imposed by the Internal Revenue Code. For 2013, the elective deferral limit will increase from \$17,000 to \$17,500.

Employees are strongly encouraged to review their earnings and leave statement to determine the TSP contribution amount or percentage that best works for them, ensuring that other deductions, such as Old Age, Survivors, and Disability Insurance (OASDI); Medicare; and retirement are not adversely affected. The TSP Web site (www.tsp.gov) has several calculators, which employees should take advantage of when making these decisions and in order to maximize their contributions. Also, refer to Bulletin Title I, 06-18, Thrift Savings Plan (TSP) Deductions, dated October 4, 2006, for additional information.

Additionally, the Federal Retirement Thrift Investment Board implemented Public Law 107-304, dated November 27, 2002, which permits eligible TSP participants who are age 50 or older to make tax-deferred "Catch-up" contributions from their basic pay to their TSP account. These contributions are a supplement to the participant's regular employee contributions and do not count against the Internal Revenue Code's elective deferral limit, (\$17,500 in 2013). However, the catch-up contributions have their own annual limit (remains \$5,500 in 2013) and eligibility criteria.

For more information on TSP changes, see the TSP Web site (www.tsp.gov). To view and/or print these procedures, go to the National Finance Center's (NFC) Home Page (www.nfc.usda.gov) and click the Publications link at the top of the page. At the Publications page right-hand menu, click Procedures by Title/Chapter and search for the appropriate chapter on the list provided.

For questions about NFC processing, authorized Servicing Personnel Office representatives should contact the NFC Contact Center at **1-855-NFC-4GOV (1-855-632-4468)** or via the Internet using the Requester Console.

RANDY L. SPEED, Director
Government Employees Services Division

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