

Tax-Deferred Annuity Procedure

Interested staff may elect to defer a portion of their salary or wages to pay for an existing qualified tax-deferred annuity program or a new program when five (5) or more staff members request ESD 123 to enter into a contract with a company licensed to do business in the State of Washington, providing product compliance with IRS code is documented through a satisfactory contract with ESD 123. The following procedures are established for this purpose:

1. A staff member may request to participate in a deferred tax annuity program. The interested staff member shall complete the vendors authorization form with the number of wages or salary to be deferred in equal installments for the balance of the year.
2. For new program providers, when five (5) or more staff members have submitted authorization forms to the business office from the same company, the Assistant Superintendent for Finance and Operations will authorize the addition of a new vendor.
3. The authorization will remain in force until modified by the staff member so long as he/she is an employee of ESD 123. An employee may modify his/her salary reduction agreement up to two (2) times during a tax year by providing a revised, signed salary reduction agreement.
4. Licensed agents may not contact staff members during working hours. Promotional literature may not be distributed through ESD 123 mail channels unless such is authorized in advance by the Superintendent.

Adoption: 12/23