

BENEFITS BULLETIN

November 29, 2011

BULLETIN NO: 11-14
SUBJECT: Thrift Savings Plan (TSP) Enrollment Reminders for 2012
TO: All Employees
FROM: Kathy Shearman, Benefits Officer

HIGHLIGHTS

- For 2012, the annual limit for regular TSP contributions will increase to **\$17,000**. The annual limit for TSP Catch-up remains the same at **\$5,500**.
- You can enroll, change or cancel your contributions *at any time* using Employee Express at www.employeexpress.gov.
- TSP for 2012 - no action is required. Your current contributions will continue at their current rate unless you make a change.
- TSP Catch-up for 2012 - you **must** make an election to have contributions continue. If you do nothing, catch-up contributions **will stop** after pay period 26 in 2011 if you do not make a new election in [Employee Express](#).
- [Maximize your TSP savings](#) for a comfortable retirement.

REGULAR TSP CONTRIBUTIONS:

You can enroll, change or cancel your TSP contributions *at any time* using [Employee Express](#). You can contribute any dollar amount or percentage (1% to 100%) of your basic pay up to the Internal Revenue Service (IRS) elective deferral limit which is increasing to **\$17,000** for 2012.

To have equal payments deducted over the 26 pay periods in 2012, you will need to elect the change in pay period 26 (12/4 – 12/17) in Employee Express. The contribution amount would be \$654 each pay period to reach the limit of \$17,000 for the year.

Important Note: If you are a FERS participant, you will receive Agency Matching Contributions on the first 5% of basic pay that you contribute each pay period. You receive an automatic 1% contribution from the agency. The first 3% of your basic pay contributions are matched dollar for dollar; the next 2% are matched at 50 cents per dollar. Your contributions above 5% are not matched. If you reach the IRS elective deferral limit before the end of the year, your contributions

and Agency Matching Contributions must stop for the remainder of the year. As a result, you will lose some of your Agency Matching Contributions.

The [TSP calculator](#) can help you to determine the specific dollar amount to be deducted each pay period in order to maximize your contributions. Refer to the [pay period calendars](#) if you make a change after pay period 26. For additional information, read the “[Annual Limit on Elective Deferrals](#)” fact sheet.

TSP CATCH-UP CONTRIBUTIONS:

If you are age 50 or older (or will reach age 50 at any time during 2011) and contribute the maximum amount of regular TSP contributions (\$17,000), you may also elect to make TSP catch-up contributions up to the IRS deferral limit of **\$5,500**.

If you made TSP catch-up contributions during 2011 they will **automatically stop** at the end of the year or when you reach the maximum dollar limit for the year. If you want to make TSP catch-up contributions in 2012 *you must make a new TSP catch-up election* in [Employee Express](#).

If you want to distribute the \$5,500 over 26 pay periods, you should elect to contribute \$212 per pay period by December 17th. If you elect later than this, you can adjust the amount by the number of [pay periods](#) remaining. Go to the [TSP catch-up contributions](#) webpage for more information.

HOW TO MAKE CHANGES TO YOUR TSP CONTRIBUTIONS:

You can start, change or stop your TSP contributions at any time using Employee Express available online at www.employeeexpress.gov. Employee Express is accessible on any computer, 24/7. If you need assistance with access, contact the Employee Express helpdesk at 1-800-827-6254.

EFFECTIVE DATE OF TSP ELECTIONS:

Your TSP election will be effective at the beginning of the pay period following the date you made your election. If you want to distribute your regular TSP or TSP catch-up contributions equally over all 26 pay periods in 2012 you should make your election during the period December 4 – 17, 2011 (pay period 26). The election will be effective December 18, 2011 and will be withheld from your first paycheck in tax year 2012, which you will receive on January 10, 2012.

If you make a TSP election after December 17, 2011, it will be effective at the beginning of the [pay period](#) following your election and will be withheld from your paycheck on the pay date for that pay period. Remember that the pay date is always the second Tuesday after the end of the pay period – a delay of almost two weeks.

Contact your [Benefits Specialist](#) if you have any questions regarding the information in this Bulletin. All Benefits Bulletins are posted on the Pay & Benefits webpage at <http://www.usgs.gov/humancapital/pb/benefitsbulletin.html>.