

## Montpelier Public School

### 10. **403(b) plan**

A 403(b) plan, also known as a tax-sheltered annuity plan, is a retirement plan for certain employees of public schools. A 403(b) plan allows employees to contribute some of their salary to the plan. The employer may also contribute to the plan for employees. There are significant tax advantages for participants in a 403(b), including pre-tax contributions to a 403(b) plan and earnings on these amounts are not taxed until they are distributed from the plan. You can find the complete Plan Document at [www.montpelier.k12.nd.us](http://www.montpelier.k12.nd.us) or request a printed copy from the business manager.

**Eligibility to Make Contributions:** All employees except student workers and student teachers are immediately eligible to make contributions under the Plan.

**Eligibility for Employer Contributions:** All classified employees who work 20 or more hours per week at least 9 months per year, or are bus drivers who drive two routes per day 175 days per year are immediately eligible for up to a 4% employer matching contribution.

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