

Maximum Contribution Limits Worksheet



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Introduction

As part of our ongoing commitment to customer service, GuideStone Financial Resources of the Southern Baptist Convention calculates maximum contribution limits for our 403(b) retirement plan participants who ask for this service. We need detailed information for these complex calculations.

The forms in this booklet will help you gather and submit the information GuideStone needs to calculate your maximum contribution limits. We hope this information will help you understand more about the calculations and why we need certain data.

Please read this entire booklet carefully.

Remember, a maximum contribution limit calculation is valid only if the information provided is complete and accurate. This is your responsibility as a participant.

The material in this booklet addresses legal requirements applicable to Internal Revenue Code Section 403(b) tax-sheltered annuity plans. The information provided is intended as a general discussion of the requirements and reflects GuideStone's current understanding of these rules as they affect most church-related employees. However, GuideStone cannot provide legal or financial advice about the maximum contribution limits and does not claim to offer legal or tax advice in any form. Application of the material to a particular situation depends upon the facts of the individual taxpayer's situation. The requirements may be modified in the future affecting the information in the booklet. Participants should consult their own tax or legal advisors about the maximum contribution limits. GuideStone specifically disclaims any liability for loss or risk incurred as a consequence of information presented in this booklet.

Rule regarding counting service:

You should answer all questions based on paid employment with all organizations eligible to be serviced by GuideStone as determined by GuideStone in its policies and procedures (church-related employers).

Throughout this brochure the term "salary reduction contribution" means employee salary reduction as well as Roth deferral.

For more information, see GuideStone's web site at www.GuideStone.org. If you have questions about anything in this booklet, you may call GuideStone at **1-888-98-GUIDE** (1-888-984-8433) and ask to have someone from the Compliance Department return your call; fax your questions to 214-720-2105, Attention: Compliance Department; or email your questions to gscompliance@GuideStone.org.

Follow these steps:

1. Complete the *Maximum Contribution Limits Worksheet* beginning on page 3.
2. Complete the *Maximum Contribution Limits Worksheet Addendum*, if applicable, on page 11.

3. Return all completed worksheets to:

Compliance Department
GuideStone Financial Resources of the Southern Baptist Convention
2401 Cedar Springs Road
Dallas, TX 75201-1498

You may also fax this information to:

214-720-2105
Attention: Compliance Department

Maximum Contribution Limits Worksheet

The *Maximum Contribution Limits Worksheet* helps give GuideStone the information it needs to calculate the maximum amount you can contribute to your 403(b) retirement account at GuideStone. If you participate or plan to participate as a self-employed minister or as a chaplain working for an employer with whom you do not share common religious bonds, you will need special instructions before you can complete this worksheet. Please call GuideStone at **1-888-98-GUIDE** (1-888-984-8433) and ask to have someone from the Compliance Department return your call.

A maximum contribution limit calculation is valid only if the information provided is complete and accurate.

1. PARTICIPANT INFORMATION

First name: _____ MI: _____ Last: _____ Social Security number (last four digits): _____

Home address: _____

City: _____ State: _____ ZIP Code: _____

Daytime telephone: (_____) _____ Email address: _____

Current church-related employer: _____

Note: If you currently work for more than one church-related employer, your current employer is the employer through which you want to maximize contributions.

2. GENERAL INFORMATION

A. Tax year for calculation: _____ If no year is given, or if you enter more than one year, calculations will be based on the current year. When we use "tax year" on this form and related documents, we mean the year you chose or the year we assumed.

B. Skip this question if you already participate in a retirement plan at GuideStone.

Will you be 50 or over by the end of the tax year? Yes No **If you do not check a box, we will assume your answer is "No."**

C. Have you ever or do you now participate in other retirement plans (not personal investments or IRAs) other than those offered through GuideStone? Yes No **If you do not check a box, we will assume your answer is "No."**

If you answered "Yes," use Addendum Flow Charts 1 and 2 on pages 9-10 to help you decide if you need to complete the *Maximum Contribution Limits Worksheet Addendum* (Addendum) on page 11.

D. We will perform calculations to show the maximum amount you may contribute through salary reduction. This is what the majority of participants want. If you do not want us to do this, please check only one box below:

Report the maximum amount my employer can contribute (if allowed by the plan).

Report the maximum amount of tax-paid contributions I can make (if allowed by the plan).

Continued on other side



3. COMPENSATION INFORMATION FROM ALL CHURCH-RELATED EMPLOYERS

This section helps you calculate your "includible compensation." See page 2 for "Rules regarding counting service."

A. Does your employer consider your employment full-time for the entire tax year? Yes No

If you answered "No," and if you have prior paid service with your current or other church-related employer(s), use the calculating includible compensation forms on pages 7 and 8. If you have only one church-related employer use page 7; use page 8 if you have more than one church-related employer.

If you do not check a box, we will assume your answer is "Yes."

B. Do you expect to work the entire tax year? Yes No

If you answered "No," and if you have prior paid service with your current or other church-related employer(s), use the calculating includible compensation forms on pages 7 and 8. If you have only one church-related employer use page 7; use page 8 if you have more than one church-related employer.

If you do not check a box, we will assume your answer is "Yes."

C. More information about includible compensation from all church-related employers:

A critical component of determining includible compensation is your most recent one-year period of service from all church-related employers. This period is calculated by beginning with the last day of the tax year (or, if earlier, the last day of service in the tax year) and counting back until you accumulate the equivalent of one year of paid full-time service from all church-related employers. Compensation earned from all church-related employers during this period is includible compensation.

When calculating includible compensation from all church-related employers, count:

- (1) Pay from all church-related employers earned during your most recent one-year period of service;
- (2) Pay you may have from other tax-exempt employers in your church-related employer's corporate structure;
- (3) Amounts you contribute through salary reduction (including age 50 catch-up contributions) to all 403(b) plans, 401(k) plans, 457(b) plans, 125 cafeteria plans (including Health Savings Accounts) and 132(f) transportation fringe benefit plans;
- (4) Automobile and work-related allowances except for the minister's housing allowance; and
- (5) Any Social Security offset.
- (6) Pay from church-related employers received by the later of 2½ months following severance from employment or the end of the year in which the severance occurs if the amounts are either (1) a payment that would have been made while employment continued (overtime, bonuses, shift differential, etc); or, (2) a payment for accrued bona fide sick, vacation, or leave, but only if it could have been used if employment continued. These amounts should **not** include severance pay.
- (7) Leave cashouts and deferred compensation amounts received by the later of 2 ½ months following severance from employment or the end of the year in which the severance occurs if the amounts are either (1) a payment for accrued bona fide sick, vacation, or leave, but only if it could have been used if employment continued; or, (2) were received from a nonqualified unfunded deferred compensation plan but only if payment would have been made at the same time if employment continued, and only if payment is includible in gross income. These amounts should **not** include severance pay.
- (8) Amounts received from a nonqualified unfunded deferred compensation plan if received in the tax year and prior to severance from employment.

Do not count: minister's housing allowance, reimbursements from your employer for business use of your automobile or other reimbursements for business expenses under an accountable reimbursement plan, employer paid retirement contributions, employer paid life and health coverage.

When calculating includible compensation from all church-related employers, you may need to include compensation from prior tax years if you are part-time or will not work the entire tax year and/or if you have compensation from more than one church-related employer. For tax years before 1998, the prior year compensation amount excludes all employee salary reduction contributions that were made during the applicable prior year(s) period. Be sure and include only accrued vacation and sick pay earned during your most recent one-year period of service. If you have accrued vacation, sick pay or other similar pay calculated using a formula that is based on years of service, count as part of your includible compensation only the portion that is attributable to the most recent one-year period of service.

Is your includible compensation from all church-related employers equal to or greater than \$50,000 (indexed)? Yes No

If less than \$50,000 (indexed), please provide the exact amount here: \$ _____

4. EMPLOYER CONTRIBUTION INFORMATION

Calculation results may be more accurate if you provide information about how much your employer will contribute for the entire tax year. If you do not provide this information and your employer is currently making contributions for you, GuideStone will use its current billing information to estimate employer contributions for the tax year.

Note: Employer contributions include employee required salary reduction contributions. These are salary reduction contributions required as a condition of employment and made under an irrevocable salary reduction agreement. If you can stop or change your salary reduction amounts, these are not employee required salary reduction contributions.

How much does your current employer expect to contribute to your GuideStone retirement account for the tax year? \$ _____

5. SERVICE INFORMATION

Total number of full-time years and months of paid church-related service (or its equivalent) with church-related employers through the end of the tax year: _____ years and _____ months (If less than 15 and you do not need to complete the *Addendum*, you are done.)

See page 2 for “**Rules regarding counting service.**”

Example: If you worked full-time for 20 years and half-time (50%) for 10 years, your total number of full-time years and months of paid church-related service (or its equivalent) would be 25 years (for all church-related employers).

20 full-time years plus (10 years x 50%)

20 + 5 = 25

6. PRIOR TRANSACTIONS

Skip this question if you do not have 15 or more full-time years of paid church-related service (or its equivalent) with church-related employers through the end of the tax year.

Have you ever received a distribution as a result of any of the following transactions from a retirement account at GuideStone?

- (a) Termination and/or in-service withdrawal; (b) Retirement benefit; (c) Rollover; (d) Transfer; (e) Exchange; (f) Excess contributions; or
- (g) Contributions removed from your account through a Qualified Domestic Relations Order.

Yes No **If you do not check a box, we will assume your answer is “No.”**

7. CONTRIBUTIONS EXCEEDING THE GENERAL LIMIT

Skip this question if you do not have 15 or more full-time years of paid church-related service (or its equivalent).

Please review your *Forms W-2* and your retirement plan statements from GuideStone and other providers to complete this section. GuideStone will rely upon the contributions data that you provide and shall not have any duty to confirm or verify such data. If you do not provide the information we need, we will assume you have never contributed more than the general limit on salary reduction contributions.

Please fill in the applicable blank if you have ever contributed more than the general limit on salary reduction contributions to any retirement plan of any church-related employer (either through GuideStone or another provider). Age 50 catch-up contributions do not count as contributions in excess of your General Limit on salary reduction contributions. **(Please complete the chart on the next page.)**

7. CONTRIBUTIONS EXCEEDING THE GENERAL LIMIT (CONTINUED)

Year(s)	General limit	Contributed salary reduction contributions above the general limit <input type="checkbox"/> Yes <input type="checkbox"/> No	Amount contributed above the general limit	
			Other plans	GuideStone plans
1987-1997	\$9,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
1998-1999	\$10,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2000-2001	\$10,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2002	\$11,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2003	\$12,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2004	\$13,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2005	\$14,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2006	\$15,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2007	\$15,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2008	\$15,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2009	\$16,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2010	\$16,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2011	\$16,500	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
2012	\$17,000	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____	\$ _____
Total			\$ _____	\$ _____

By submitting this *Maximum Contribution Limits Worksheet*, I agree that:

- The calculations will be based upon the data I have provided;
- The calculations will be performed in accordance with GuideStone’s current understanding of the rules applicable to contribution limits;
- I, as a taxpayer, bear the ultimate responsibility for complying with the tax laws concerning contribution limits;
- GuideStone does not provide tax or legal advice nor does it guarantee the accuracy of any calculations performed;
- If information is missing or unclear, assumptions will be made to expedite the processing of my calculation request.

Complete and return this worksheet to:

Compliance Department
 GuideStone Financial Resources, SBC
 2401 Cedar Springs Road
 Dallas, TX 75201-1498

You may also fax this worksheet to:

214-720-2105
 Attention: Compliance Department

Calculating includible compensation from only one current church-related employer

Use this form if you answered "No" to questions 3A or 3B (or both 3A and 3B) on the *Maximum Contribution Limits Worksheet* and have only one church-related employer. This form will help you determine your includible compensation for your most recent one-year period of service.

STEP 1: DETERMINE YOUR MOST RECENT ONE-YEAR PERIOD OF SERVICE

When calculating your includible compensation, you need to determine the period of time that represents 12 months of full-time equivalency, i.e., your most recent one-year period of service. If you do not work full-time (as defined by your employer), you must first calculate your "percentage of full-time equivalency." *IRS Publication 571* may be helpful. You can find it on the IRS web site at www.irs.gov. Accumulated service cannot exceed one year in a twelve month period.

First, follow these steps to calculate your percentage of full-time equivalency:	Example
1. List the current average number of hours you work per week for your current church-related employer.	_____ 27.5
2. List the amount of hours your current church-related employer considers full-time (must be at least 20 hours)	_____ 36
3. Divide line 1 by Line 2 and round.	_____ 76%
4. If line 3 is less than 100%, multiply line 3 by 12 months* to determine the number of months that represent full-time equivalency and round. If line 3 is equal to 100%, enter the number of months you expect to work in the annual work period.	_____ 9

Next, determine how many months from previous years need to be added to the months in line 4 to equal 12 months* of full-time equivalency, i.e., your most recent one-year period of service.

5. 12 months* minus line 4.	_____ 3
6. Line 5 divided by Line 3 and round.	_____ 4

Line 6 represents the number of months from the prior year(s) (beginning with December) that are needed to accumulate compensation.

Note: If your percentage of full-time equivalency is different in prior years than for the current year, please contact the Compliance Department at GuideStone for assistance in determining your most recent one-year period of service.

*Or the number of months that equal a full year of service, i.e., your church-related employer's annual work period.

STEP 2: CALCULATE YOUR INCLUDIBLE COMPENSATION EARNED DURING YOUR MOST RECENT ONE-YEAR PERIOD OF SERVICE

(If you have prior paid service with your current church-related employer or another church-related employer)

Follow these steps to calculate your includible compensation if you have prior paid service with your current church-related employer or another church-related employer:

1. Determine what your compensation will be for the tax year.	_____
2. Based on line 6 calculated above, decide the amount of your prior year(s) compensation earned during the number of months needed to equal your most recent one-year period of service.	_____
3. Add lines 1 and 2 together.	_____

On the *Maximum Contribution Limits Worksheet*, enter the value in Line 3 under **Section 3.C— Compensation information**.

Example:

1. Determine what your compensation will be for the tax year.	_____ \$10,000
2. Based on the percentage of full-time equivalency calculated in Step 1, decide the amount of your prior year(s) compensation needed for your most recent one-year period of service.	_____ \$9,000*
3. Add lines 1 and 2 together.	_____ \$19,000

Line 3 shows your includible compensation.

*Based on the example in Step 1, you need 100% of your compensation from the previous tax year to accumulate compensation earned during your most recent one-year period of service.

Do not return this form to GuideStone

Calculating includible compensation from more than one church-related employer

Use this form if you answered "No" to questions 3A or 3B (or both 3A and 3B) on the *Maximum Contribution Limits Worksheet* and have or had **more than one** church-related employer. This form will help you determine your includible compensation for your most recent one-year period of service.

DETERMINE YOUR MOST RECENT ONE-YEAR PERIOD OF SERVICE

When calculating your includible compensation from all church-related employers, you need to determine the period of time that represents 12 months* of full-time equivalency, i.e., your most recent one-year period of service from all church-related employers. If you do not work full-time (as defined by your employers), you must first calculate your "percentage of full-time equivalency." *IRS Publication 571* may be helpful. You can find it on the IRS web site at www.irs.gov. Accumulated service cannot exceed one year in a twelve month period.

First, follow these steps to calculate your percentage of full-time equivalency:

	Employer 1	Employer 2	
1. List the current average number of hours you work per week for each employer.	_____	_____	
2. List the number of hours each employer considers full-time.	_____	_____	
3. Divide each employer's line 1 by line 2.	_____	_____	
4. Add line 3 from Employer 1 to line 3 from Employer 2.	_____	+	_____ = _____
			Total

Is the value of line 4 greater than or equal to **one** (or 100%) and do you plan on working the percentage indicated above for each employer the entire tax year? Yes No

If "Yes," enter your includible compensation from all church-related employers during the tax year on the *Maximum Contribution Limits Worksheet* under **Section 3.C— Compensation information**. Do not proceed further on this page. If "No," go to line 5 below.

5. Determine the most recent one-year of service factor by dividing the number one by the "Total" in line 4 (above).	_____
6. Determine the total number of months needed by multiplying the value in line 5 by 12*, then round up or down.	_____
7. Enter your includible compensation from all church-related employers for the number of months determined in line 6 (starting with December of the calculation tax year as the first month to begin looking back).	\$ _____
	Total

On the *Maximum Contribution Limits Worksheet*, enter the value in Line 7 under **Section 3.C— Compensation information**.

Note: If the number of hours you worked for these employers during the period determined in line 6 is different from the number of hours you indicated in line 4, please contact the Compliance Department at GuideStone.

* Or the number of months that equal a full year of service.

Example

First, follow these steps to calculate your percentage of full-time equivalency:

	Employer 1	Employer 2	
1. List the current average number of hours you work per week for each employer.	20	10	
2. List the number of hours each employer considers full-time.	40	40	
3. Divide each employer's Line 1 by Line 2.	50%	25%	
4. Add Line 3 from Employer 1 to Line 3 from Employer 2.	50%	+	25% = 0.75%
			Total

Is the value of Line 4 greater than or equal to one and do you plan on working the percentage indicated above for each employer the entire tax year? Yes No

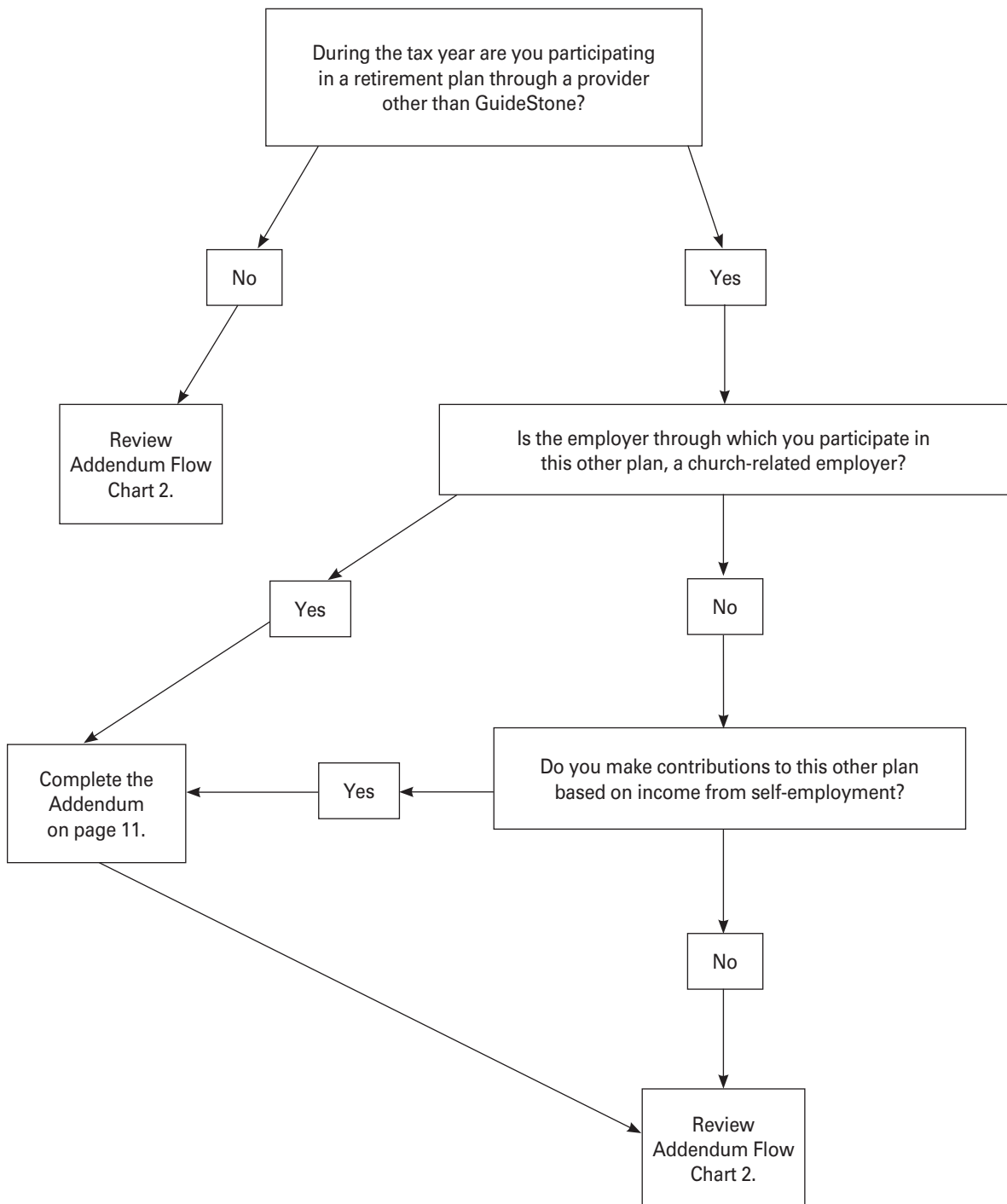
If "Yes," enter your includible compensation from all church-related employers during the tax year on the *Maximum Contribution Limits Worksheet* under **Section 3.C— Compensation information**. Do not proceed further on this page. If "No," go to Line 5 below.

5. Determine the most recent one-year of service factor by dividing the number one by the "Total" in Line 4 (above).	1.3333
6. Determine the total number of months needed by multiplying the value in line 5 by 12, then round up or down.	15.9996 = 16
7. Enter your includible compensation from all church-related employers for the number of months determined in Line 6 (starting with December of the calculation tax year as the first month to begin looking back).	\$ _____
	Total

Do not return this form to GuideStone

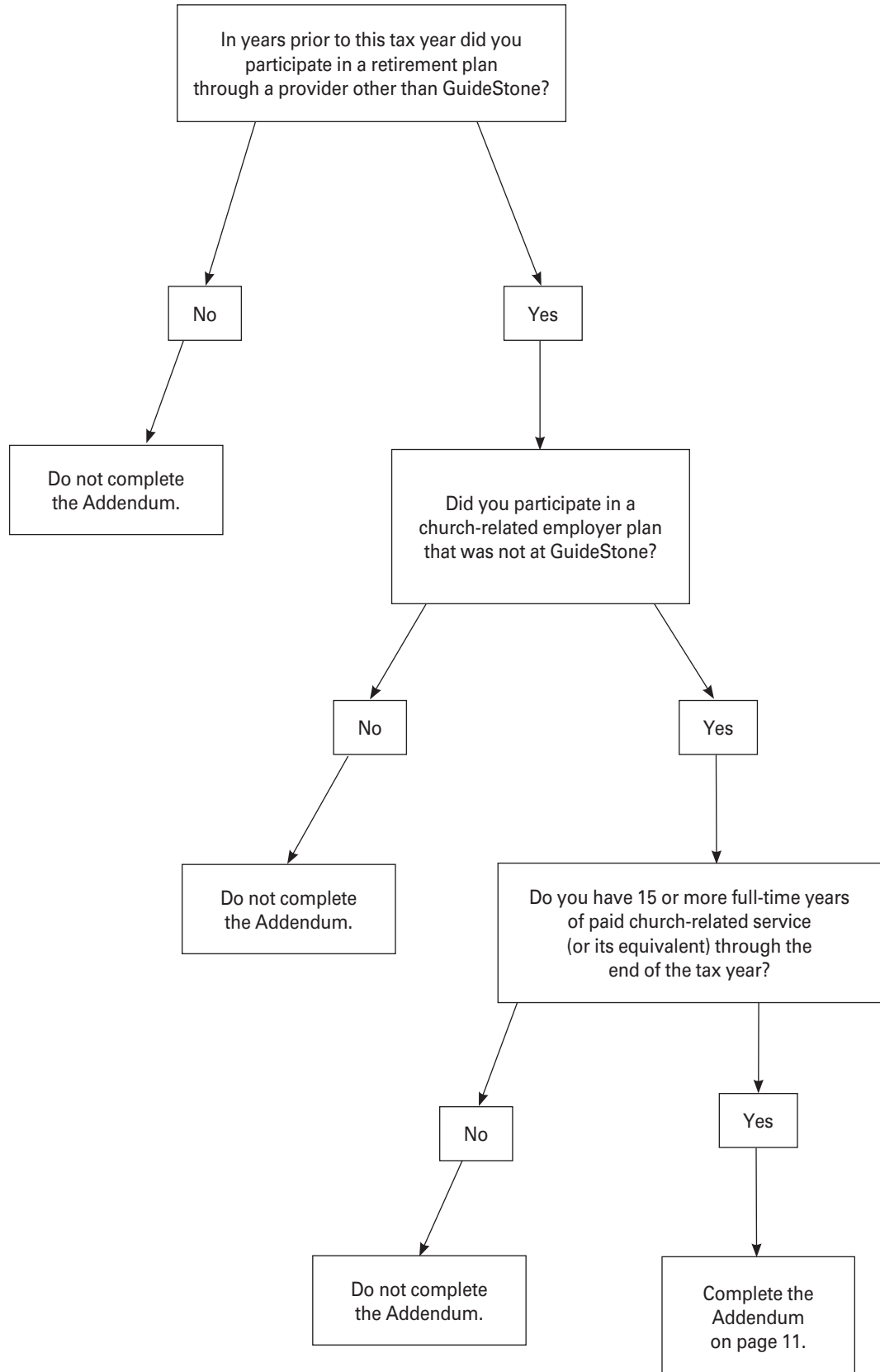
Addendum Flow Chart 1

Review both Addendum Flow Charts 1 and 2 to determine whether you need to complete the *Maximum Contribution Limits Worksheet Addendum*.



Addendum Flow Chart 2

After you have reviewed Addendum Flow Chart 1, review this Addendum Flow Chart.



Maximum Contribution Limits Worksheet Addendum

If you have participated in a retirement plan that was not with GuideStone, complete this *Maximum Contribution Limits Worksheet Addendum* after you have worked through both Addendum Flow Charts 1 and 2.

1. PARTICIPANT INFORMATION

Participant name: _____ Social Security number (last four digits): _____

2. EMPLOYER CONTRIBUTIONS TO OTHER 403(b) PLANS OF CHURCH-RELATED EMPLOYERS FOR THE CURRENT TAX YEAR

A. Indicate all employer contributions (not salary reduction contributions) your church-related employer will contribute in the current tax year to 403(b) plans that are not with GuideStone.

Current Tax year employer contributions made to other 403(b) plans of church-related employers: \$ _____

B. Do **not** complete the field below if you can stop or change your salary reduction amounts.

Indicate all contributions required, under an irrevocable salary reduction agreement, as a condition of employment to be made in the current tax year to 403(b) plans that are not with GuideStone.

Current Tax year required contributions made to other 403(b) plans of church-related employers: \$ _____

3. PRIOR TAX YEAR SALARY REDUCTION CONTRIBUTIONS TO OTHER 403(b)/401(k) PLANS OF CHURCH-RELATED EMPLOYERS

Complete this section only if you have 15 or more full-time years (or its equivalent) of paid service by the end of the tax year with your church-related employer.

Indicate the total cumulative amount of your salary reduction contributions (do not include earnings) made to 403(b)/401(k) plans of church-related employers in prior years to plans that were not with GuideStone. Do not include salary reduction contributions that were required as a condition of employment and made under an irrevocable salary reduction agreement.

Prior year salary reduction contributions made to other 403(b)/401(k) plans of church-related employers: \$ _____

Continued on other side

4. CONTROLLED EMPLOYER

Special rules apply if you participate in both a 403(b) plan and another retirement plan if you are deemed to be in control of the employer maintaining the other plan. If you are a self-employed minister for federal income tax purposes, you are deemed to be the employer in control of maintaining any retirement plan based on your income as a self-employed minister.

- **Example:** A minister works for a church and is therefore an employee for federal income tax purposes. He participates as an employee in a 403(b) plan maintained by the church, but he also has earnings from self-employment. For example, he is paid for speaking engagements, weddings and published articles. The minister established a Keogh plan for those self-employment earnings. He is deemed to be in control of the employer which maintains the Keogh plan. Contributions made to his Keogh plan may affect his maximum contribution limits to his 403(b) plan through the church.
- **Example:** A physician is employed by a church-related hospital that provides a 403(b) plan. The physician also maintains a private practice in the form of a professional corporation for which he has established a Simplified Employee Pension Plan (SEP) to cover himself and the other employees of the professional corporation. Because the physician is in control of the employer who maintains the SEP, contributions to the other plan must be taken into account in calculating the physician's 403(b) contribution limits.
- **Example:** A minister works for a church and is therefore an employee for federal income tax purposes. He participates as an employee in a 403(b) plan maintained by the church, but he also has earnings from revivals through his established 501(c)(3) evangelical association. The minister establishes a 403(b) plan for the evangelical association. He is deemed to be in control of the evangelical association which maintains the 403(b) plan. Contributions made to this plan may affect his maximum contribution limits to his 403(b) plan through the church.

If any of these examples illustrates your situation, you may be deemed to be in control of the employer maintaining a plan. If you are uncertain about whether you are deemed to be in control of the employer, we strongly encourage you to consult your tax advisor before you submit your calculation request to GuideStone. If you think that you are deemed to be in control of the employer, we need to know the amount of contributions made to what is known as the "controlled employer's" plan.

"Controlled employer compensation" is what we call your earnings from the controlled employer during the tax year which is includible in gross income. Since the "controlled employer" is often a self-employed individual, controlled employer compensation is often the net earnings from self-employment. This income is generally reportable on Schedule C of *IRS Form 1040*. If you need help, please consult your tax advisor.

- A. Expected taxable compensation (before salary reduction) from a controlled employer for the tax year: \$ _____
- B. Employer contributions to plans maintained by the controlled employer for the tax year: \$ _____
- C. Salary reduction contributions for the tax year required as a condition of employment with the controlled employer made under an irrevocable salary reduction agreement. Do not fill in this blank if you can stop or change your salary reduction amounts. \$ _____

Complete and return this worksheet to:

Compliance Department
GuideStone Financial Resources, SBC
2401 Cedar Springs Road
Dallas, TX 75201-1498

You may also fax this worksheet to:

214-720-2105
Attention: Compliance Department



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1-888-98-GUIDE • www.GuideStone.org