

Deferred Compensation (409A) Election Form

The IRS has issued regulations (409A) which relate to a change in tax law for individuals receiving deferred compensation. This law effects faculty and staff with 9, 10, or 11 month appointments per year who elect to have their salary spread out over a 12-month period, (and in select cases, over a 13-month period), thus deferring a part of their income from one taxable (calendar) year to the next. The IRS website can provide more information at:

<http://www.irs.gov/newsroom/article/0,,id=172883,00.html>

Beginning with St. Edward's July 1, 2008 fiscal year, faculty and other employees with less than 12-month appointments who would like to have their salaries paid over 12 months (or in select cases, over 13-months) must make an election by the first day of the month in which they begin work. (i.e. faculty who begin teaching in late August 2008, must make this election no later than August 1, 2008.)

The IRS requires faculty and other employees who do not submit an annual election form by the deadline to have their pay distributed over their 9, 10, or 11 month appointment.

This election is termed "evergreen" which means it will remain in effect each year and is **irrevocable** during an appointment year. If you wish to change this election in a future year and be paid over the shorter period of your appointment (i.e. 9, 10, or 11 months) you must notify Human Resources in writing no later than the first of the month during which you begin work (i.e. by August 1st if you begin work in August).

My signature below indicates that I elect to defer a portion of my compensation into the next tax year by having my salary distributed over twelve (12) months [or in select cases, over 13-months] at the beginning of my appointment year. I understand that this election is **irrevocable** and that this may not be changed until the beginning of the new appointment year.

Please Print Name

Department

Signature

Date