

## **TAX-SHELTERED INVESTMENT PROGRAM (403b)**

Capital Area Health Consortium (CAHC) has a Tax-Sheltered Investment Plan (403b) available for its employees. Money may be deducted from each paycheck on a pre-tax basis (403b) or a post-tax basis (Roth). The pre-tax option reduces the amount of income that is taxed increasing your net pay. The funds become taxable to you upon distribution at retirement. Contributions made to the Roth post-tax plan are subject to withholding. However, contributions are not taxable upon distribution at retirement (Please see IRS rules for more clarifications on this). **There is no matching contribution from the employer. CAHC is responsible only for the payroll deduction and remitting the contribution to the investment institution. CAHC is not responsible for any investment decisions.**

Your account may be transferred to another qualified plan or to an individual IRA upon separation from employment. If a distribution occurs while employed or upon separation from service, there will be penalties and taxation assessed under IRS rules. The plan does not allow for loans from invested funds.

The CAHC has an Open Architecture plan through Mass Mutual that offers numerous funds and fund managers to select investment options. For information please contact our financial consultant:

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