



Benefits News

November 2005

Important Taxation Information

403(b) Voluntary Tax Sheltered Annuity Program and 457 Deferred Compensation Changes for 2006 Calendar Year

Maximum contribution limits for IRS 403(b) and 457 Tax Deferred Plans will increase effective January 1, 2006 and are outlined below. If you are interested in contributing the maximum allowed or making other changes in the amount you currently have deducted please contact your plan's representative. November 24, 2005 is the last date to change amounts deducted from your January 1 paycheck.

403(b) Tax Sheltered Annuity Program: for most participants the 2006 annual maximum is the lesser of \$15,000 in voluntary deductions (TSA) or \$44,000 combined TSA and mandatory ORP employee and employer contributions.

The 457 Deferred Compensation Limit: 2006 annual maximum is \$15,000. If you reach age 50 by December 31, 2006, you may tax-shelter an additional \$5,000. However, 403(b) amounts may not exceed \$49,000 in total contributions.



Taxation Years for December Earnings

Monthly-paid employees should remember that their December earnings paid on January 2nd will be reported as 2006 income. Deductions also apply to 2006 income.

For those paid twice monthly, the December 15th



check will be 2005 income, but the January 2nd check will be 2006 income. Deductions apply to 2005 income if from the December 15th check. This will also affect any tax-sheltered annuities you have, as well as medical insurance deductions you may claim on your tax return.

Dependent Care Reimbursement Account Participants

IRS regulations require that services be provided before payments can be reimbursed. Participants filing paper claims after the services have been rendered. Claims submitted in advance of the service dates or service periods will be returned by PayFlex for later submission (e.g. Daycare services were provided from

9/16-9/20. The claim should be submitted after 9/20).

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TexFlex Reimbursement Account Deadline

The deadline for filing claims incurred between September 1, 2004 and August 31, 2005 for TexFlex Health Care and Dependent Care Reimbursement Accounts is December 31, 2005. However, it is best to send in your claim much earlier to allow response time in the event that documentation is insufficient.

Claim forms are available in Human Resources or at www.payflex.com/texas. For additional information about reimbursement account claims in the 2004-2005 plan year, call PayFlex at 866-353-9839 or see www.payflex.com/texas.

Reminder: Deadline to incur expenses for Health Care was extended to November 15, 2005.

Exempt Status for International Employees

Withholding tax exemption are available for some International employees based on their country's tax treaty and other regulations. To check for this type of exemption, please contact Jim Webb in the Payroll Office at ext. 7014.

Listed below are forms and information needed to apply for a tax treaty exemption.

Forms need by Payroll:

- 8233 Form and attachments
- Foreign Nation Information Form (FNI) with appropriate documentation attached.
- Individuals filing for tax exemption should understand that earnings will be reported by the IRS to their home country and may be taxed upon their return.

Guidelines:

- All 2005 8233 tax exemptions will end on December 31, 2005.
- If an employee will be paid in 2006, they must file a new 8233 for 2006 no later than Friday, December 9, 2005 by 5:00 p.m.

New Faculty Electing the Optional Retirement Program

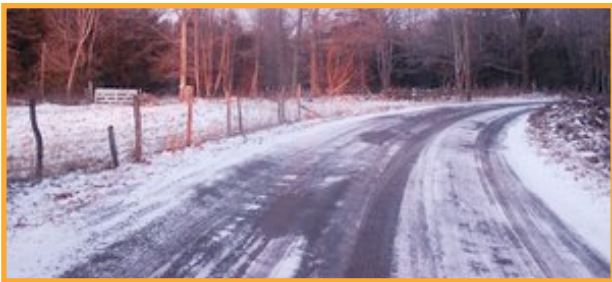
New faculty and administrators hired September 1, 2005, who are eligible for the Optional Retirement Program (ORP) should note that they have 90 days from the hire date to make a retirement selection. If ORP is not selected within the deadline, contributions will be sent to TRS on your behalf. In order to prevent contributions from being sent to TRS, it's important that all ORP paperwork be turned in no later than November 15, 2005.

Failure to enroll in ORP will permanently end your eligibility to participate in ORP in any state-supported institution of higher education in Texas.

Extreme Weather Conditions

The University of North Texas Denton and/or Dallas campuses will remain open unless weather conditions are such that the majority of students, faculty, and staff are unable to reach their respective campus due to severe weather or impassable road conditions. The Denton/Dallas campuses may also close if a critical shortage of energy occurs.

Please refer to the Extreme Weather Conditions policy at the following website www.unt.edu/policy. Click on Volume II, Administrative and



Fiscal and then go to policy number 10.2.

Human Resources Information

Does Human Resources have your current address?

In a few months the Payroll Office will be mailing W-2 forms for inactive employees. W-2 forms for active employees will be sent to their department; however, in some cases these W-2 forms may also be mailed.

To insure these are mailed to the correct address, update your address with Human Resources Department by completing a

Employee Biographical Data Form (EBD). This form is available on the HR website at www.unt.edu/hr/forms.

Note: If you are enrolled in insurance and/or a retirement program and have a change of address, please come by the Human Resources Department in Marquis Hall, Room 150 to complete your address change forms.

Temporary Employees

Did you know that your department could utilize either Hour Personnel (formerly Triangle Temporaries) or Express Personnel Service for your temporary needs? If your department has a need for a temporary employee, please contact Valerie Green (ext. 4240) for further assistance.

HR Newsletter and Phone Information

The Human Resources Newsletter is published monthly by the University Human Resources Department.

Ideas and articles should be submitted to Donna Carter at dcarter@unt.edu

- Main HRD Number 565-2281
- Administration 565-4363
- Benefits 565-4250
- Compensation 565-4245
- Employee Relations 565-4817
- Employment 565-4240
- Records 565-4249
- Training/Development 565-4246



Happy
Thanksgiving!