



DIRECTOR – CIVILIAN BENEFITS CENTER

Date: 1 December 2020

To: All Civilian Employees

Subj: Thrift Savings Plan (TSP) Enrollment for 2021

1. The purpose of this message is to share the Internal Revenue Service (IRS) elective deferral limits for 2021 and the change in electing to contribute to TSP Catch-up.

- The IRS elective deferral limits did not change for 2021. The contribution limit to TSP remains at \$19,500 and the Catch-up contribution limit for employees turning age 50 and older remains at \$6,500, for a total of \$26,000 (\$19,500 + \$6,500).
- Effective in January 2021, employees turning age 50 and older will make “one election” to contribute to both TSP and TSP Catch-up and will no longer will be required to do a separate annual Catch-up election. Your election will carry over each year unless you submit a new one. Additional information is available at: <https://www.tsp.gov/making-contributions/catch-up-contributions/>.

2. There is no TSP Open Season, so you can make your election at any time. Calendar year (CY) 2021 has 26 pay dates, so you would elect to contribute \$750 per pay period to reach the 2021 contribution limit of \$19,500. If you are already contributing \$750 per pay period, you will not have to make a change to meet the IRS limit in 2021. For additional information on contributing to TSP go to www.tsp.gov.

3. 4. You can elect to have your TSP contributions on a pre-tax basis (Traditional TSP) or on an after-tax basis (Roth TSP). The combined total of traditional and Roth TSP contributions cannot exceed the 2021 contribution limit of \$19,500 and if turning age 50 or older, the 2021 contribution limit of \$26,000. Additional information on Traditional TSP and TSP Roth is available at: <https://www.tsp.gov/making-contributions/traditional-and-roth-contributions/>.

3. To distribute your contributions equally over all 26 pay dates, make your election during the period **6 December – 19 December 2020** using the GRB Platform. Your election will be effective 20 December 2020 and withheld from your first paycheck in tax year 2021, on pay date, 8 January 2021. To enroll or change the amount you are currently contributing to TSP make your election electronically on the GRB Platform at <https://www.civilianbenefits.hroc.navy.mil> using a government computer with a “.mil, .edu, or .gov” email address and a Department of Defense Common Access Card.

4. If you plan to retire in 2021, you can maximize your employee contributions (regular TSP and Catch up) by electing a biweekly amount that allows you to reach the maximum contribution limit by your retirement date, otherwise known as “front-loading” your TSP. For example, if you select 31 July 2021 as your retirement date, you only have 16 pay periods to make contributions. To adjust your contributions, you would divide the \$19,500 limit by

16 vice 26 or if turning age 50 or over, divide \$26,000 by 16 to determine the biweekly contribution amount needed to reach the deferral limit based on your retirement date. Remember in order to reach your deferral limit, you should contribute a whole dollar amount and also FERS employees would need to contribute at least 5% each pay period to receive Agency Matching Contributions. The elective deferral calculator is available on the TSP website at: <https://www.tsp.gov/calculators/how-much-can-i-contribute/#top>.

5. If you have any questions, please call the Benefits Line at 888-320-2917 from 7:30 a.m. - 7:30 p.m., EST, Monday - Friday, except on Federal holidays. During the Federal Benefits Open Season, hours of operations are extended to 9:30 p.m. The TTY number is 866-359-5277. Since the Benefits Line typically experiences high call volume during the open season (11 November - 9 December 2019), you may experience a longer than normal call wait time.

Another way to reach the Benefits Line is to email your questions to navybenefits@navy.mil. You must include your full name, pay plan, grade, and contact telephone number. Please do not include Privacy Act or other Personally Identifiable Information such as date of birth or social security number in your email correspondence.

Thank you,

Mary E. Foley