

- (b) Contributions to the plan.
- (c) Annuity contracts.
- (d) Custodial accounts.
- (e) Retirement income accounts.
- (f) Combining assets.

§ 1.403(b)-9 *Special rules for church plans.*

- (a) Retirement income accounts.
- (b) Retirement income account defined.
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§ 1.403(b)-10 *Miscellaneous provisions.*

- (a) Plan terminations and frozen plans.
- (b) Contract exchanges and plan-to-plan transfers.
- (c) Qualified domestic relations orders.
- (d) Rollovers to a section 403(b) contract.
- (e) Deemed IRAs.
- (f) Defined benefit plans.
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§ 1.403(b)-11 *Applicable date.*

- (a) General rule.
- (b) Collective bargaining agreements.
- (c) Church conventions.
- (d) Special rules for plans that exclude certain types of employees from elective deferrals.
- (e) Special rules for plans that permit in-service distributions.
- (f) Special rule for life insurance contracts.
- (g) Special rule for contracts received in an exchange.

[T.D. 9340, 72 FR 41140, July 26, 2007]

§ 1.403(b)-1 General overview of taxability under an annuity contract purchased by a section 501(c)(3) organization or a public school.

Section 403(b) and §§ 1.403(b)-2 through 1.403(b)-10 provide rules for the Federal income tax treatment of an annuity purchased for an employee by an employer that is either a tax-exempt entity under section 501(c)(3) (relating to certain religious, charitable, scientific, or other types of organizations) or a public school, or for a minister described in section 414(e)(5)(A). See section 403(a) (relating to qualified annuities) for rules regarding the taxation of an annuity purchased under a qualified annuity plan that meets the requirements of section 404(a)(2), and see section 403(c) (relating to nonqualified annuities) for rules regarding the taxation of other types of annuities.

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§ 1.403(b)-2 Definitions.

(a) *Application of definitions.* The definitions set forth in this section are applicable for purposes of § 1.403(b)-1, this section and §§ 1.403(b)-3 through 1.403(b)-11.

(b) *Definitions*—(1) *Accumulated benefit* means the total benefit to which a participant or beneficiary is entitled under a section 403(b) contract, including all contributions made to the contract and all earnings thereon.

(2) *Annuity contract* means a contract that is issued by an insurance company qualified to issue annuities in a State and that includes payment in the form of an annuity. See § 1.401(f)-1(d)(2) and (e) for the definition of an annuity, and see § 1.403(b)-8(c)(3) for a special rule for certain State plans. See also §§ 1.403(b)-8(d) and 1.403(b)-9(a) for additional rules regarding the treatment of custodial accounts and retirement income accounts as annuity contracts.

(3) *Beneficiary* means a person who is entitled to benefits in respect of a participant following the participant's death or an alternate payee pursuant to a qualified domestic relations order, as described in § 1.403(b)-10(c).

(4) *Catch-up amount* or *catch-up limitation* for a participant for a taxable year means a section 403(b) elective deferral permitted under section 414(v) (as described in § 1.403(b)-4(c)(2)) or section 402(g)(7) (as described in § 1.403(b)-4(c)(3)).

(5) *Church* means a church as defined in section 3121(w)(3)(A) and a qualified church-controlled organization as defined in section 3121(w)(3)(B).

(6) *Church-related organization* means a church or a convention or association of churches, including an organization described in section 414(e)(3)(A).

(7) *Elective deferral* means an elective deferral under § 1.402(g)-1 (with respect to an employer contribution to a section 403(b) contract) and any other amount that constitutes an elective deferral under section 402(g)(3).

(8) (i) *Eligible employer* means—

(A) A State, but only with respect to an employee of the State performing services for a public school;

(B) A section 501(c)(3) organization with respect to any employee of the section 501(c)(3) organization;