

# 2024 Plan Comparison

## 457(b) PLANS Governmental



## 403(b) PLANS

<ul style="list-style-type: none"> <li>\$23,000 maximum contribution plus catch-up options</li> <li>457(b) limits no longer reduced by 403(b) contributions</li> </ul>	<b>Contribution Limits &amp; Coordination of Contribution Limits</b>	<ul style="list-style-type: none"> <li>\$23,000 maximum contribution plus catch-up options<sup>1</sup></li> <li>403(b) limits no longer reduced by 457(b) contributions</li> </ul>
None (normal income tax only)	<b>Early Withdrawal Penalty Tax</b>	10% early withdrawal federal penalty tax may apply for distributions prior to age 59 1/2. Waived if age 55 and separated from service (normal income tax only). <sup>2</sup>
Employer responsible for administration	<b>Employer Control</b>	Employer responsible for administration
No discrimination rules apply - employer defines and limits eligibility	<b>Eligibility Rules</b>	Deferrals available to eligible employees as defined by the Plan Document. Universal Availability rules permit only limited exclusions to eligibility.
\$7,500 annual limit (not available if special catch-up option utilized)	<b>Age 50 Catch-Up Option</b>	\$7,500 annual limit (special catch-up option may also be utilized)
Three years prior to normal retirement age allows the lesser of: <ul style="list-style-type: none"> <li>Two times current year's normal contribution limit; or</li> <li>Underutilized limits from past years with the same employer.</li> </ul>	<b>Special Catch-Up Option (If Permitted By Plan)</b>	Fifteen years of service option increases limit by the lesser of: <ul style="list-style-type: none"> <li>\$3,000;</li> <li>\$15,000 less additional limit used in past years; or</li> <li>Excess of \$5,000 times years of service, less elective deferrals.</li> </ul>
Available	<b>Transfer to Purchase Service Credits</b>	Available
Funds cannot be distributed until: <ul style="list-style-type: none"> <li>Age 59 1/2;<sup>3</sup></li> <li>Severance from employment;</li> <li>Disability;</li> <li>Death; or</li> <li>Unforeseeable emergency.</li> </ul>	<b>Distribution Restrictions</b>	Funds cannot be distributed until: <ul style="list-style-type: none"> <li>Age 59 1/2;</li> <li>Severance from employment;</li> <li>Disability;</li> <li>Death; or</li> <li>Financial hardship.</li> </ul>
Funds may be rolled over to: <ul style="list-style-type: none"> <li>Another 457(b) Governmental Plan</li> <li>403(b) TSA</li> <li>IRA (Traditional, SEP)</li> <li>401(a) Plan (Pension, Profit Sharing 401(k), STRS)</li> </ul>	<b>Portability of Plan Funds After Qualifying Event (Plan Restrictions May Apply)</b>	Funds may be rolled over to: <ul style="list-style-type: none"> <li>Another 403(b)</li> <li>457(b) Governmental</li> <li>IRA (Traditional, SEP)</li> <li>401(a) Plan (Pension, Profit Sharing 401(k), STRS)</li> </ul>
Contribution and earnings may be distributed to the extent required for an unforeseeable emergency (sudden and unforeseen) beyond control of participant, such as: <ul style="list-style-type: none"> <li>Medical care</li> <li>Casualty loss</li> </ul>	<b>Financial Need Distribution (Hardship/Unforeseeable Emergency Withdrawals)</b>	Contributions (and earnings) <sup>4</sup> may be distributed to extent required for a financial hardship even if foreseeable and voluntary, such as: <ul style="list-style-type: none"> <li>Medical care;</li> <li>Payment of tuition; or</li> <li>Purchase of a home; or</li> <li>Payments needed to prevent eviction from or foreclosure on home.</li> </ul>
Permitted, with loans from all qualified plans limited to the lesser of: <ul style="list-style-type: none"> <li>\$50,000; or</li> <li>One half of vested benefits (or \$10,000, if greater).</li> </ul>	<b>Loans</b>	Permitted, with loans from all qualified plans limited to the lesser of: <ul style="list-style-type: none"> <li>\$50,000; or</li> <li>One half of vested benefits (or \$10,000, if greater).</li> </ul>
RMD rules apply at age: <ol style="list-style-type: none"> <li>73 for a person who attains age 72 after 12/31/2022 and age 73 before 1/1/2033</li> <li>75 for a person who attains age 74 after 12/31/2032</li> </ol>	<b>Required Minimum Distributions</b>	RMD rules apply at age: <ol style="list-style-type: none"> <li>73 for a person who attains age 72 after 12/31/2022 and age 73 before 1/1/2033</li> <li>75 for a person who attains age 74 after 12/31/2032</li> </ol>