

2025 Plan Comparison

457(b) PLANS Governmental



403(b) PLANS

<ul style="list-style-type: none"> \$23,500 maximum contribution plus catch-up options 457(b) limits no longer reduced by 403(b) contributions 	Contribution Limits & Coordination of Contribution Limits	<ul style="list-style-type: none"> \$23,500 maximum contribution plus catch-up options¹ 403(b) limits no longer reduced by 457(b) contributions
None (normal income tax only)	Early Withdrawal Penalty Tax	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). ²
Employer responsible for administration	Employer Control	Employer responsible for administration
No discrimination rules apply - employer defines and limits eligibility	Eligibility Rules	Deferrals available to eligible employees as defined by the Plan Document. Universal Availability rules permit only limited exclusions to eligibility.
Age 50-59 or 64 or older by December 31, 2025: \$7,500 annual limit (special catch-up option may also be utilized) -or- Age 60-63 on December 31, 2025: \$11,250 annual limit (special catch-up option may also be utilized)	Age Based Catch-Up Option	Age 50-59 or 64 or older by December 31, 2025: \$7,500 annual limit (special catch-up option may also be utilized) -or- Age 60-63 on December 31, 2025: \$11,250 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"> Two times current year's normal contribution limit; or Underutilized limits from past years with the same employer. 	Special Catch-Up Option (If Permitted By Plan)	Fifteen years of service option increases limit by the lesser of: <ul style="list-style-type: none"> \$3,000; \$15,000 less additional limit used in past years; or Excess of \$5,000 times years of service, less elective deferrals.
Available	Transfer to Purchase Service Credits	Available
Funds cannot be distributed until: <ul style="list-style-type: none"> Age 59 1/2;³ Severance from employment; Disability; Death; or Unforeseeable emergency. 	Distribution Restrictions	Funds cannot be distributed until: <ul style="list-style-type: none"> Age 59 1/2; Severance from employment; Disability; Death; or Financial hardship.
Funds may be rolled over to: <ul style="list-style-type: none"> Another 457(b) Governmental Plan 403(b) TSA IRA (Traditional, SEP) 401(a) Plan (Pension, Profit Sharing 401(k), STRS) 	Portability of Plan Funds After Qualifying Event (Plan Restrictions May Apply)	Funds may be rolled over to: <ul style="list-style-type: none"> Another 403(b) 457(b) Governmental IRA (Traditional, SEP) 401(a) Plan (Pension, Profit Sharing 401(k), STRS)
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"> Medical care Casualty loss 	Financial Need Distribution (Hardship/Unforeseeable Emergency Withdrawals)	Contributions (and earnings) ⁴ may be distributed to extent required for a financial hardship even if foreseeable and voluntary, such as: <ul style="list-style-type: none"> Medical care; Payment of tuition; or Purchase of a home; or Payments needed to prevent eviction from or foreclosure on home.
Permitted, with loans from all qualified plans limited to the lesser of: <ul style="list-style-type: none"> \$50,000; or One half of vested benefits (or \$10,000, if greater). 	Loans	Permitted, with loans from all qualified plans limited to the lesser of: <ul style="list-style-type: none"> \$50,000; or One half of vested benefits (or \$10,000, if greater).
RMD rules apply at age: <ol style="list-style-type: none"> 73 for a person who attains age 72 after 12/31/2022 and age 73 before 1/1/2033 75 for a person who attains age 74 after 12/31/2032 	Required Minimum Distributions	RMD rules apply at age: <ol style="list-style-type: none"> 73 for a person who attains age 72 after 12/31/2022 and age 73 before 1/1/2033 75 for a person who attains age 74 after 12/31/2032

Figures reflect 2025 contribution limits. ¹Reduced by elective deferrals to 401(k) plans, SEP plans or SIMPLE plans. ²Unless attributable to rollover from another type of retirement plan. ³For Plans that adopted Sec. 104 of the Bipartisan American Miners Act of 2019. Otherwise, Age 70½. ⁴For Plans that adopted Sec. 602 of the SECURE 2.0 Act of 2022.