



# 2025 PLAN COMPARISON

## 403(b) and 457(b)

Features	457(b) Governmental Plans	403(b) Plans
Contribution Limits & Coordination of Contribution Limits	<ul style="list-style-type: none"> <li>• \$23,500 maximum contribution plus catch-up options</li> <li>• 457(b) limits no longer reduced by 403(b) contributions</li> </ul>	<ul style="list-style-type: none"> <li>• \$23,500 maximum contribution plus catch-up options</li> <li>• 403(b) limits no longer reduced by 457(b) contributions<sup>1</sup></li> </ul>
Early Withdrawal Penalty Tax	None (normal income tax only)	10% early withdrawal federal penalty tax may apply for distributions prior to age 59 <sup>1/2</sup> . Waived if age 55 and separated from service (normal income tax only). <sup>2</sup>
Employer Control	Employer responsible for administration	Employer responsible for administration
Eligibility Rules	No discrimination rules apply - employer defines and limits eligibility.	Deferrals available to eligible employees as defined by the Plan Document. Universal Availability rules permit only limited exclusions to eligibility.
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)	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)
Special Catch-Up Option (If Permitted By Plan)	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>	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 past elective deferrals.</li> </ul>
Transfer to Purchase Service Credits	Available	Available
Distribution Restrictions	Funds cannot be distributed until: <ul style="list-style-type: none"> <li>• Age 59<sup>1/2</sup>;<sup>3</sup></li> <li>• Severance from employment;</li> <li>• Disability;</li> <li>• Death; or</li> <li>• Unforeseeable emergency.</li> </ul>	Funds cannot be distributed until: <ul style="list-style-type: none"> <li>• Age 59<sup>1/2</sup>;</li> <li>• Severance from employment;</li> <li>• Disability;</li> <li>• Death; or</li> <li>• Financial hardship.</li> </ul>
Portability of Plan Funds After Qualifying Event (Plan Restrictions May Apply)	Funds may be rolled over to: <ul style="list-style-type: none"> <li>• Another 457(b)</li> <li>• 401(a) Plan (Pension, Governmental Plan Profit Sharing, 401(k), STRS)</li> <li>• 403(b) TSA</li> <li>• IRA (Traditional, SEP)</li> </ul>	Funds may be rolled over to: <ul style="list-style-type: none"> <li>• Another 403(b)</li> <li>• 457(b) Governmental Plan</li> <li>• IRA (Traditional, SEP)</li> <li>• 401(a) Plan (Pension, Profit Sharing, 401(k), STRS)</li> </ul>
Financial Need Distribution (Hardship/Unforeseeable Emergency Withdrawals)	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; or</li> <li>• Casualty loss.</li> </ul>	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>• Payments needed to prevent eviction from or foreclosure on home;</li> <li>• Payment of tuition; or</li> <li>• Purchase of a home.</li> </ul>
Loans	If permitted by Plan and Investment Provider, loans from all qualified plans are 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>	If permitted by Plan and Investment Provider, loans from all qualified plans are 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>
Required Minimum Distributions	RMD rules apply at age: <ul style="list-style-type: none"> <li>(i) 73 for a person who attains age 72 after December 31, 2022 and age 73 before January 1, 2033</li> <li>(ii) 75 for an individual who attains age 74 after December 31, 2032</li> </ul>	RMD rules apply at age: <ul style="list-style-type: none"> <li>(i) 73 for a person who attains age 72 after December 31, 2022 and age 73 before January 1, 2033</li> <li>(ii) 75 for an individual who attains age 74 after December 31, 2032</li> </ul>

Figures reflect 2025 contribution limits.

<sup>1</sup>Reduced by elective deferrals to 401(k) plans, SEP plans or SIMPLE plans. <sup>2</sup>Unless attributable to rollover from another type of retirement plan.

<sup>3</sup>For Plans that adopted Sec. 104 of the Bipartisan American Miners Act of 2019. Otherwise, Age 70 ½. <sup>4</sup> For plans that adopted Sec. 602 of the SECURE 2.0 Act of 2022.