



# 2026 PLAN COMPARISON

## 457(b) Plans Governmental

## 403(b) Plans

		Contribution Limits & Coordination of Contribution Limits	Contribution Limits & Coordination of Contribution Limits
• \$24,500 maximum contribution plus catch-up options	• 457(b) limits no longer reduced by 403(b) contributions		• \$24,500 maximum contribution plus catch-up options <sup>1</sup>
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). <sup>2</sup>
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 on December 31, 2026: \$8,000 annual limit (special catch-up option may also be utilized) -or- Age 60-63 on December 31, 2026: <sup>3</sup> \$11,250 annual limit (special catch-up option may also be utilized)		Age Based Catch-Up Option	Age 50-59 or 64 or older on December 31, 2026: \$8,000 annual limit (special catch-up option may also be utilized) -or- Age 60-63 on December 31, 2026: <sup>3</sup> \$11,250 annual limit (special catch-up option may also be utilized)
Three years prior to normal retirement age allows the lesser of:  • 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:  • \$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:  • Age 59 1/2; <sup>4</sup> • Severance from employment; • Disability; • Death; or • Unforeseeable emergency.		Distribution Restrictions	Funds cannot be distributed until:  • Age 59 1/2; • Severance from employment; • Disability; • Death; or • Financial hardship.
Funds may be rolled over to:  • 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:  • 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:  • Medical care • Casualty loss		Financial Need Distribution (Hardship/Unforeseeable Emergency Withdrawals)	Contributions (and earnings) <sup>5</sup> may be distributed to extent required for a financial hardship even if foreseeable and voluntary, such as:  • 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:  • \$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:  • \$50,000; or • One half of vested benefits (or \$10,000, if greater).
RMD rules apply at age: i. 73 for a person who attains age 72 after 12/31/2022 and age 73 before 1/1/2033 ii. 75 for a person who attains age 74 after 12/31/2032		Required Minimum Distributions	RMD rules apply at age: i. 73 for a person who attains age 72 after 12/31/2022 and age 73 before 1/1/2033 ii. 75 for a person who attains age 74 after 12/31/2032

Figures reflect 2026 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>Employer must allow this feature per adopted Plan Provisions per SECURE Act 2.0 of 2022. <sup>4</sup>For Plans that adopted Sec. 104 of the Bipartisan American Miners Act of 2019. Otherwise, Age 70 1/2. <sup>5</sup>For Plans that adopted Sec. 602 of the SECURE 2.0 Act of 2022.