



# 2026 PLAN COMPARISON

## 457(b) Plans Governmental

## 403(b) Plans

|   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>\$24,500 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>\$24,500 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.   |
| Age 50-59 or 64 or older on December 31, 2026:<br>\$8,000 annual limit<br>(special catch-up option may also be utilized)<br>-or-<br>Age 60-63 on December 31, 2026: <sup>3</sup><br>\$11,250 annual limit<br>(special catch-up option may also be utilized) | <b>Age Based Catch-Up Option</b>  | Age 50-59 or 64 or older on December 31, 2026:<br>\$8,000 annual limit<br>(special catch-up option may also be utilized)<br>-or-<br>Age 60-63 on December 31, 2026: <sup>3</sup><br>\$11,250 annual limit<br>(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>4</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>5</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>  |

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 70½. <sup>5</sup>For Plans that adopted Sec. 602 of the SECURE 2.0 Act of 2022.