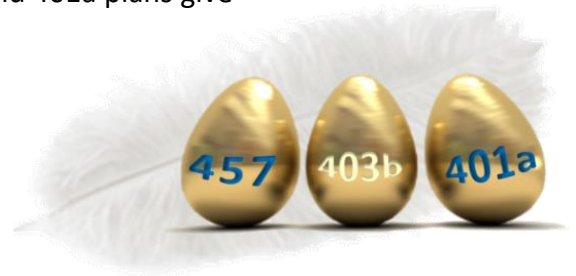




**Unique opportunity-** As an education-related employer, you may add a 457 employee contribution plan and 401a plan along-side your 403b plan. The addition of the 457 and 401a plans give you the chance to:

- Offer an “enhancement” to your employee benefits package.
- Call attention to your retirement savings benefit and increase employee awareness of the opportunity to save for the future.



### Four additional tax-favored options-

- At separation from employment, 457 plan assets have no early withdrawal penalty due to age.
- Participants may make maximum allowable contributions to the 457 **and** 403b plans in the same tax year.
- Eligible 457 participants close to retirement may contribute additional catch-up contributions.
- Employer dollars deposited to the 401a plan are not subject to FICA and do not impact 457 plan contribution limits.

**2024 IRS Maximum Contribution Limits**

Contribution Type	Plan Type			Combined Maximum Limit
	403b (pretax/Roth)	457 (pretax/Roth)	401a (pretax only)	
Employee Regular	\$ 23,000	\$ 23,000	NA	\$ 46,000
Employee Age 50+ Catch-up	\$ 30,500*	\$ 30,500	NA	\$ 61,000
Employee Catch-up**	\$ 3,000 (up to 5 yrs)	\$ 23,000 (up to 3 yrs)	NA	\$ 26,000
Employee Total Max	\$ 33,500	\$ 46,000	NA	\$ 79,500
Employer	\$ 69,000***	NA	\$ 53,000	\$ 138,000***

\* Employees eligible for both the 403b Age 50+ *and* 15-Year catch-up limits in the same year must utilize the current year's 15-Year catch up before utilizing the Age 50+ Catch-up. The 403b Age 50+ catch-up of up to \$3,000/year has a cumulative maximum of \$15,000.

\*\* Maximum amount added to Regular limit if participant meets IRS requirements

\*\*\* Maximum employer 403b contributions are reduced by the amount of any employee contributions

**Participating education employers** (listed at [https://das.iowa.gov/RIC/PSE/plan\\_details](https://das.iowa.gov/RIC/PSE/plan_details)) who have added the 457/401a plans have done so for a variety of reasons such as:

- A new retirement savings option
- An alternative 457 plan option
- In place of an existing 457 or 403b plan option
- Use of the 401a plan for employer contributions

**Want more information?** Visit the RIC website at <https://das.iowa.gov/RIC> or contact the RIC Plan Administrator directly at [jennifer.sandusky@iowa.gov](mailto:jennifer.sandusky@iowa.gov) or call 515-281-0569.