

# 2025 Comparison

## Traditional 403(b) and Roth 403(b) Plans

### RETIREMENT PLANS

#### Understand Your Retirement Plan Choices



	Traditional 403(b)	Roth 403(b)
<b>Basic Contribution Limit</b>	\$23,500	Same amount as traditional; employees can direct their entire annual contribution to their traditional 403(b), a Roth 403(b) or split their annual contribution between both accounts; the sum of all contributions cannot exceed the annual limit.
<b>Taxability</b>	Contributions are made pre-tax; contributions and earnings are tax-deferred until withdrawn.	Contributions are made after-tax; earnings can be withdrawn tax-free as long as withdrawals are made after age 59½ and after the account has been in existence for at least five years.
<b>Age 50 Catch-up Contributions</b>	\$7,500	Same as traditional, subject to combined limit discussed above
<b>Distribution Restrictions</b>	Distributions are available due to death, disability, separation from service, attainment of age 59½ or hardship.	Same as traditional 403(b)
<b>Early Withdrawal Penalties</b>	Distributions prior to age 59½ are subject to a 10% penalty, unless the distribution was the result of death, disability or the participant separated from service in a calendar year that he/she attained the age of 55 or older.	The earnings portion of the account is subject to the same rules as a traditional 403(b).
<b>Additional Contributions Based on Years of Service</b>	402(g)(7) catch-up: employee must have 15 years of service and limited to lesser of \$3,000, \$15,000 less previously excluded special catch-up OR \$5,000 multiplied by years of service minus previously excluded deferrals. <i>*If your plan permits.</i>	Same as traditional, subject to combined limit discussed above

*\*Based on 2025 IRS Contribution Limits. None of the information in this document should be considered as tax advice. You should consult your tax professional for information concerning your individual situation.*



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