



# Voluntary 403(b) and 457(b) plan comparison-2019

Features	403(b) plan	457(b) plan
<b>Eligibility and participation</b>	Benefits-eligible employees generally able to participate. Consult plan document for rules on eligibility and enrollment.	Benefits-eligible employees generally able to participate. Consult plan document for rules on eligibility and enrollment.
<b>Employee salary reduction (pretax) contributions</b>	<ul style="list-style-type: none"> <li>Permitted. Generally limited to the lesser of \$19,000 or 100% of compensation in 2019.</li> <li>Contributions must be aggregated with Roth contributions when applying limits.</li> <li>Governed by Sections 415 and 402(g) limits.</li> </ul>	<ul style="list-style-type: none"> <li>Permitted. Generally limited to the lesser of \$19,000 or 100% of compensation in 2019.</li> <li>Governed by Section 457(e)15.</li> </ul>
<b>Employee Roth (after-tax) contributions</b>	<ul style="list-style-type: none"> <li>Permitted. Generally limited to the lesser of \$19,000 or 100% of compensation in 2019.</li> <li>Contributions must be aggregated with salary reduction contributions when applying limits.</li> <li>Governed by Sections 415 and 402(g) limits.</li> </ul>	<ul style="list-style-type: none"> <li>Permitted. Generally limited to the lesser of \$19,000 or 100% of compensation in 2019.</li> <li>Contributions must be aggregated with salary reduction contributions when applying limits.</li> <li>Governed by Sections 415 and 402(g) limits.</li> </ul>
<b>Age 50 catch-up amounts—Section 414(v)</b>	<ul style="list-style-type: none"> <li>An additional \$6,000 elective salary deferral may be permitted in 2019.</li> <li>Age 50 catch-up contributions can be made to both 403(b) and 457(b) plans in the same year.</li> </ul>	<ul style="list-style-type: none"> <li>An additional \$6,000 elective salary deferral may be permitted in 2019.</li> </ul>
<b>Other catch-up amounts</b>	<ul style="list-style-type: none"> <li>Those with 15 or more years of service at same qualifying employer may be able to make up to an additional \$3,000 elective salary deferral and/or Roth contribution per year (\$15,000 max lifetime).</li> <li>Prior-year contributions may limit this amount.</li> <li>Employee may make both age 50 and 15-year catch-up contributions in the same year. Ordering rule applies excess contributions to 15-year catch-up first.</li> </ul>	<ul style="list-style-type: none"> <li>Those within three years prior to the plan's normal retirement age are eligible for an enhanced limit and may make additional contributions up to the lesser of twice the applicable annual limit or the annual limit plus any unused amounts from prior years.</li> <li>Employee may make the greater of the enhanced contribution limit or the age 50 catch-up (not both).</li> </ul>
<b>Loans</b>	Permitted. Availability subject to plan rules.	Permitted. Availability subject to plan rules.
<b>Triggering events</b>	<ul style="list-style-type: none"> <li>Severance from employment, age 59½, disability or death.</li> <li>Hardship distributions may be available subject to certain restrictions relating to employer contributions. Consult plan document for specific rules.</li> </ul>	<ul style="list-style-type: none"> <li>Severance from employment, retirement, age 70½ or death.</li> <li>Unforeseeable emergency, small-sum withdrawal may also be available. Consult plan document for specific rules.</li> </ul>
<b>Early withdrawal penalty</b>	None for employees who separate from service at or after age 55. Otherwise, 10% on withdrawals generally before age 59½. Exceptions include death and disability.	No early withdrawal penalties.
<b>Rollovers</b>	<ul style="list-style-type: none"> <li>Permitted to IRA, 401(a), 401(k), 403(b) or 457(b) governmental plans.</li> <li>Rollovers are NOT permitted to 457(b) plans of a tax-exempt employer or Roth 403(b) or Roth 401(k).</li> </ul>	<ul style="list-style-type: none"> <li>Permitted to IRA, 401(a), 401(k), 403(b) or 457(b) governmental plans.</li> <li>Rollovers are NOT permitted to 457(b) plans of a tax-exempt employer.</li> </ul>

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Direct transfers and rollovers in	<ul style="list-style-type: none"> <li>▪ Rollovers accepted, from IRA, 401(a), 401(k), 457(b) public and other 403(b) plans—subject to the rules of the new plan.</li> <li>▪ Distribution of rollover account permitted if plan allows.</li> <li>▪ Not permitted from 457(b) private plans. Plan-to-plan transfers allowed for current and former employees if new plan permits.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Accepted, if new plan permits, from IRA, 403(b), 401(a) and 401(k) plans—10% penalty on early withdrawal still applies.</li> <li>▪ Direct transfers from other 457(b) public plans permitted, if plan allows.</li> <li>▪ Not permitted from 457(b) private plan.</li> </ul>
TIAA distribution options*	<ul style="list-style-type: none"> <li>▪ Lifetime annuities</li> <li>▪ Required minimum distribution option</li> <li>▪ Retirement transition benefit (RTB)</li> <li>▪ Interest-only (IO), systematic cash withdrawals</li> <li>▪ Transfer payout annuity (for TIAA Traditional Retirement and Group Retirement Annuity contracts)</li> <li>▪ Fixed-period annuities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lump sums</li> <li>▪ Fixed-period annuities (5–30 years)</li> <li>▪ Lifetime annuities</li> <li>▪ Minimum Distribution Option</li> <li>▪ Institutionally owned fixed-period annuities (2–30 years)</li> <li>▪ Required minimum distribution</li> </ul>
Minimum distribution requirements	Applicable to entire accumulation at age 70½ (age 75 for pre-1987 accumulations) or retirement, if later.	Applicable to entire accumulation at age 70½ or retirement, if later.
Tax reporting	1099-R issued by TIAA.	1099-R issued by TIAA.
Taxability	<ul style="list-style-type: none"> <li>▪ Pretax contributions will be taxed in the year you take the distribution. Roth distributions are tax free if first contribution was made at least five years earlier and the owner is at least 59½, disabled or deceased.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pretax contributions will be taxed in the year you take the distribution. Roth distributions are tax free if first contribution was made at least five years earlier and the owner is at least 59½, disabled or deceased.</li> </ul>

\*These are descriptions of distribution methods that are typically available. Note that specific distribution options differ by contract type.

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