Compare your savings opportunities

What are your options?

Your employer offers a designated Roth option under a governmental 457(b) plan. You can choose to make contributions on an after-tax basis to the designated Roth option, on a pre-tax basis to the 457(b), or a combination of the two. You must decide which is best for your personal circumstances and savings objectives. The following chart shows the differences between governmental pre-tax 457(b), governmental Roth 457(b) and Roth IRA.

	457(b) pre-tax	Designated Roth option	Roth IRA
Eligibility	Determined by the plan sponsor. No Adjusted Gross Income (AGI) eligibility limit.	Determined by the plan sponsor. No AGI eligibility limit.	For 2024, federal income tax: If filing status is single or head-of-household, AGI must be less than $146,000 for a full contribution. If federal income tax filing status is married filing jointly, combined AGI must be less than $230,000 for a full contribution.
Maximum annual contributions	$23,000 in 2024* * If you make both pre-tax and after-tax Roth contributions, this dollar limit applies to your total 457(b) contribution.	$23,000 in 2024*	$7,000
Catch-up contributions	**Age 50+ catch-up** $7,500 in 2024 for Age 50+ catch-up. **Special catch-up** Up to twice the annual maximum ($46,000 in 2024) for three-years prior to the year of normal retirement age. Cannot use both catch-up provisions in same year but must use the catch-up provision which gives the greater amount.	**Age 50+ catch-up** $7,500 in 2024 for Age 50+ catch-up. **Special catch-up** Up to twice the annual maximum ($46,000 in 2024) for three-years prior to the year of normal retirement age. Cannot use both catch-up provisions in same year but must use the catch-up provision which gives the greater amount.	**Age 50+ catch-up** $1,000 additional contribution in 2024 for a total contribution of $8,000.
Rollovers in Compare your options for differences in cost, benefits, charges and other important features before you roll over assets. You may want to consult your legal or tax advisors.	Yes, if permitted by the plan document. Amounts rolled over from other non-457(b) eligible retirement plans (401(a); 401(k); 403(b); and traditional IRA) remain subject to the 10% IRS premature distribution penalty tax, unless an exemption applies.	Yes, if permitted by the plan document, directly from other designated Roth accounts. Note, a IRS 10% premature distribution penalty tax could apply if you were to roll designated Roth amounts from a 401(k) or 403(b) plan into a governmental 457(b) plan with a Roth feature if, when withdrawn, those amounts were considered non-qualified Roth distributions. The IRS does not permit a rollover from a Roth IRA.	Yes.

	457(b) pre-tax	Designated Roth option	Roth IRA
Distributions Permitted	Available upon severance from employment, death, and: • Attainment of age 59½* • De minimis accounts – accounts less than or equal to $7,000* (certain conditions apply) • Unforeseeable Emergency* • Qualified birth or adoption distribution up to $5,000* • Emergency Personal Expense and Domestic Abuse Victim distributions* * As permitted by the plan.	Subject to the same rules as the 457(b) pre-tax.	At any time (no restrictions apply).
Tax-Free Qualified Distribution	Not applicable. All distributions subject to ordinary income tax.	Provided you have a triggering event for a distribution, the following criteria must be met to ensure a tax-free qualified distribution: 5-year holding period **and** the participant has experienced one of these events: • Disability • Death • Attainment of age 59½	The following criteria must be met to ensure a tax-free qualified distribution: 5-year holding period **and** the participant has experienced one of these events: • Attainment of age 59½ • Disability • Death • Certain first-time home purchases
Required Minimum Distributions (RMDs)	If you have a balance in the Plan, you are required to take a Required Minimum Distribution (RMD) by April 1st of the calendar year following the later of the year in which you reach 73 or the year you retire from the employer sponsoring plan. If you do not begin taking RMDs as indicated, you will be subject to an IRS 25% penalty tax of RMD amount not taken timely.	Not during the participant's lifetime. However, RMDs are required to be taken by the beneficiary.	Not during the owner's lifetime. However, RMDs are required to be taken by the beneficiary.