

NEW RULES FOR AGE-BASED CATCH-UP CONTRIBUTIONS

USF's 403(b) Voluntary Retirement Plan (403(b) Plan) allows active employees to make pre-tax and/or Roth after-tax contributions up to the annual maximum amount permitted by the Internal Revenue Service (IRS). The annual maximum employee contribution limit for 2026 is projected to be \$24,500.

In addition, the 403(b) Plan permits employees that have attained age 50 or older to contribute an additional age-based catch-up contribution above the annual maximum contribution limit.

Change to age-based catch-up contribution rules

In 2022, Congress passed SECURE 2.0 to help Americans better prepare for retirement. Beginning in 2026, if your FICA wages for 2025 exceed \$150,000 (adjusted annually for inflation), any age-based catch-up contributions to the 403(b) Plan must be made as Roth contributions. Roth contributions are made with after-tax dollars.

What this means for you

- If your 2025 W-2 FICA earnings from USF is under \$150,000: No change
- If your 2025 W-2 FICA earnings from USF is \$150,000 or more: You may continue to contribute pre-tax dollars to the University's 403(b) Plan up to the IRS annual maximum (the same as all employees). However, age 50 catch-up contributions and special age 60–63 “super” catch-up contributions must be made with after-tax Roth dollars.

To check your 2025 FICA wages, refer to **Box 3 (Social Security Wages)** on your 2025 Form W-2, available in **USFWorks by January 31, 2026**.

We expect that no action will be required on your part – catch-up contributions will automatically shift from pre-tax to Roth for those whose FICA earnings are \$150,000 or more.

You can start, stop or change your 403(b) contributions any time.

How you can manage your contributions

- Log in to your TIAA account by following the instructions outlined in the [user guide](#) on how to change your 403(b) contribution
- Follow the prompts to adjust your contributions

You can find the catch-up contribution limits for 2026 by [clicking here](#).

If you are still not certain about these new rules and how it impacts you, feel free to reach out to your Retirement Plan Manager, Ron Chin, to schedule an appointment.