

December 11, 2024

Supplemental Retirement Plan Contribution Limits are Increasing Plus, New Opportunity for Employees Age 60-63!

The West Virginia Higher Education Retirement Plan offers the opportunity for supplemental retirement savings through the 403(b) Supplemental Retirement Savings Plan and the 457(b) Voluntary Retirement Savings Plan. Both supplemental plans allow employees to save an additional amount for retirement – up to \$23,500 in each plan. Both plans have tax-deferred and after-tax (ROTH) savings options.

In addition to the maximum allowed in the 403(b) and 457(b) plans, employees age 50+ may contribute an additional \$7,500 under a special IRS allowed option called Age 50+ Catch-Up.

Employees aged 60 – 63 are in their critical years before retirement. New federal legislation (SECURE 2.0) allows employees in this age group to take advantage of increasing how much they're saving over and above the additional amounts you already can contribute. You must be age 60 – 63 during 2025.

What this can mean for you

As described above, the West Virginia Higher Education Retirement Plan's 403(b) and 457(b) plans already allow active employees who are age 50 or older to increase their annual employee plan contributions beyond standard IRS annual limits (known as "age-based catch-up contributions"). A new rule for 2025 will enable active employees ages 60-63 to increase those contributions even more.¹

Here's what the new rule can mean to employees ages 60-63:

Active employee in the plan	Annual catch-up contribution limit for 2025 for both 403(b) and 457(b)
All Employees	\$23,500
Age 50-59	+\$7,500
Age 60-63	+\$11,250 <i>Increased amount for 2025 (which is 150% of the standard limit of \$7,500 for 2024)</i>
Age 64 or older	+\$7,500

Age-based catch-up contribution limits are indexed annually.

How to start or increase your contributions

¹ New rule applicable for tax years beginning after December 31, 2024.

- Complete the [SRA Payroll Deduction Form](#) or contact the Human Resources Benefits Office at 304-696-6455 or benefits@marshall.edu.

Making decisions about your retirement accounts can be challenging. We encourage you to consult with your tax professional to understand what is appropriate for you.

TIAA financial consultants are available to help as well. Visit tiaa.org/schedulenow to set up a one-on-one meeting with a TIAA financial consultant or a wealth advisor. You may also call TIAA at 800-842-2252, weekdays, 8 a.m. to 10 p.m. ET.