Fall 2026

SUNY Voluntary 403(b) Savings Plan- New Rules may apply for those age 50 and older

Starting in **2026**, a new IRS rule (Section 603 of the Secure 2.0 Act) requires those with 2025 **FICA wages of $150,000* or more**, all additional catch-up deferrals from your paycheck, must be made as Roth (after-tax) contributions. This means taxes will be paid up front, and qualified withdrawals later will be tax-free.

The standard maximum employee contribution limit **for all ages is $24,500** (for 2026, indexed annually). The table below shows how much you can contribute based on your age:

		Type of Catch-Up Contribution	
Employee age	**Total Annual Contribution Limit**	**Prior year FICA wages <u>less than or equal to</u> $150,000**	**Prior year FICA wages <u>greater than</u> $150,000: Catch up must be**
50-59	$32,500 ($24,500, plus $8,000 Catch-up)	Pretax and/or Roth after-tax contributions	Roth contribution
60-63	$35,750 ($24,500, plus $11,250 Catch-up)	Pretax and/or Roth after-tax contributions	Roth contribution
64 or older	$32,500 ($24,500, plus $8,000 Catch-up)	Pretax and/or Roth after-tax contributions	Roth contribution

*Located on box 3 of your year-end W2 statement.

What this means for you
If your prior-year FICA wages exceed $150,000, all catch-up contributions you make will be automatically treated as Roth contributions.

You don't need to take any action for this to occur, this notice is simply to inform you in advance so you can plan accordingly.

Here's what Roth contributions means:

- Taxes are paid before your contribution goes into the plan.
- Qualified distributions include both contributions and all earnings as income tax free (Federal and NY State), for those over age 59 ½ and Roth contributions invested for 5 years or more.

Contact your investment provider for additional information:
https://www.suny.edu/benefits/vsp/403bproviders/

How you can manage your contributions

- Log in to Retirement@Work : www.retirementatwork.org/suny
- On the *Contributions* page, select *Manage contributions*
- Follow the prompts to adjust your contributions

Make sure to carefully consider your decisions about your Plan contributions and accounts. We encourage you to consult with your tax professional to determine what is appropriate for you.

If You Don't Want Roth Catch-Up Contributions

You have two options to avoid making Roth catch-up contributions:

1. **Adjust your contribution amount in the SUNY Voluntary Savings Plan**
   You can modify your salary deferral election, so your total pre-tax contributions do not exceed the standard annual limit of $24,500. This will prevent catch-up contributions from being deferred and keep all contributions pre-tax if desired.

2. **Consider contributing to the New York State Deferred Compensation Plan (457 Plan) ****
   This plan has a separate IRS contribution limit, allowing you to contribute the same amount on a pre-tax basis—even if you're impacted by the Roth catch-up rule in your SUNY plan. It's a great way to continue maximizing your retirement savings while maintaining pre-tax treatment. The NYS Deferred Compensation Plan does not automatically change contributions to Roth, please consult directly with the plan administrator for additional information at The New York State Deferred Compensation Plan (NYSDCP) at http://www.nysdcp.com

Questions on investment options and services, please contact the investment provider(s) directly:

Corebridge Financial	corebridgefinancial.com/rs/suny	603-594-8340
Fidelity	netbenefits.com/SUNY	800-343-0860
TIAA	TIAA.org/suny	866-662-7945
Voya	suny.beready2retire.com	800-584-6001

Be sure to carefully consider any decisions about your retirement accounts. We encourage you to consult with your tax professional to understand what is appropriate for you. If you have any questions, call the Retirement@Work call center at **844-567-9000**, weekdays, 8 a.m. to 10 p.m. ET.

To enroll or make changes to your SUNY Voluntary 403(b) Savings Plan:
403(b) Enrollment Guide (2026) & 403(b) Making Changes Guide (2026)

**Community Colleges may participate in an alternative 457 Plan, please consult with your human resources benefits office for additional information.