

Highlights of Changes for 2021

- The **contribution limit** for employees who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan remains **unchanged at \$19,500**.
- The **catch-up** contribution limit for employees **aged 50 and over** who participate in 401(k), 403(b), most 457 plans and the federal government's Thrift Savings Plan remains **unchanged at \$6,500**
- The limitation for defined contribution plans under Section 415(c)(1)(A) is increased in 2019 from \$57,000 to **\$58,000**.

The age 50 or over catch-up contribution is available for employees who are aged 50 or older or will be age 50 on or before December 31st of the calendar year they want to use the catch-up contribution.

A special 457(b) catch-up contribution permits a participant for 3 years prior to the normal retirement age (as specified in the plan) to contribute the **lesser** of:

- Twice the annual limit (\$38,000 in 2019; \$39,000 in 2020), or
- The basic annual limit plus the amount of the basic limit not used in prior years (**only allowed if not using the age 50 or over catch-up contributions**).

| Year | Maximum Contribution | Age 50+ | Final 3 year |
|------|----------------------|----------|--------------|
| 2019 | \$19,000 | \$25,000 | \$38,000 |
| 2020 | \$19,500 | \$26,000 | \$39,000 |
| 2021 | \$19,500 | \$26,000 | \$39,000 |

If you are within 3 years of retirement and want to contribute twice the annual limit in each of your final 3 years **prior** to the year you retire, please contact InvesTrust at 1-866-848-0258, M-F 8:00 a.m. – 5:00 p.m.

Please note: The 457 contribution limits apply to all contributions (employee and employer) to all eligible 457 plans you participate in during the calendar year regardless of the employer. If you are or were a 457 plan participant in another 457 Plan during the calendar year, please contact InvesTrust at 1-866-848-0258