



Maximize contributions toward your retirement

Horace Mann wants you to be aware of the maximum contribution limits for 403(b), 457(b) and traditional and Roth Individual Retirement Account (IRA) plans. Below are the maximum limits allowable by the Internal Revenue Service and additional information to help you understand how to determine your limits.

403(b)	2024	2025
Annual contribution limit:	\$23,000	\$23,500
Contribution limit for those eligible for 15 years of service catch-up:	\$26,000	\$26,500
<p>A special catch-up contribution is available if you have 15 years of service with your current employer and your total contributions to your current employer's 403(b) plan equal an average of less than \$5,000 per year. The maximum is \$3,000 per year with a lifetime limit of \$15,000 or until average deferrals equal \$5,000 per year, whichever comes first.</p>		
Contribution limit for those eligible for age 50 or older catch-up:	\$30,500	\$31,000
<p>A special catch-up contribution (\$7,500 for 2024 and 2025) is available if you are over age 50 or older.</p>		
Contribution limit for those eligible for age 60-63 catch-up:	N/A	\$34,750
<p>A special catch-up contribution (\$11,250 for 2025) is available if you are age 60-63.</p>		
Contribution limit for those eligible for 15 years of service catch-up and age 50 or older catch-up:	\$33,500	\$34,000
<p>You may qualify for both the 15 years of service catch-up and the age 50 or older catch-up. However, the special 15 years of service catch-up must be used first.</p>		
Contribution limit for those eligible for 15 years of service catch-up and age 60-63 catch-up:	N/A	\$37,750
<p>You may qualify for both the 15 years of service catch-up and the age 60-63 catch-up. However, the special 15 years of service catch-up must be used first.</p>		

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457(b)

Annual contribution limit:

2024	2025
\$23,000	\$23,500

Contribution limit for those within three years of normal retirement age:

Varies	Varies
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A special catch-up contribution is allowed during the last three years prior to normal retirement age if you have not contributed the maximum amount in prior years.

The special catch-up contribution is 200% of the annual limit or the annual limit plus the portion of unused annual limits from prior years if smaller.

Contribution limit for those age 50 or older:

\$30,500	\$31,500
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An additional catch-up amount may be contributed if you are age 50 or older but may only be used in years where the special three-year catch-up contribution does not result in a higher limit.

Contribution limit for those age 60-63:

N/A	\$34,750
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An additional catch-up amount may be contributed if you are age 60-63 but may not be used in years where the special three-year catch-up contribution does not result in a higher limit.

IRA (traditional and Roth)

Annual contribution limit:

2024	2025
\$7,000	\$7,000

Contribution limit for those age 50 or older:

\$8,000	\$8,000
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This information is for educational purposes only, and should not be considered a recommendation or investment, tax or legal advice.

All contribution limits for 403(b) and 457(b) include Roth contributions. Catch-up contributions apply only if allowed by your employer's plan. The IRA limit includes contributions to both traditional and Roth IRAs. The 457(b) annual contribution limit includes both employee and employer contributions.

Withdrawals from a 401(k), 401(a), 403(b) and 457(b) and accounts are restricted by the Internal Revenue Code and may be further restricted by your employer's plan. Generally, you may make a withdrawal from a 403(b) account only upon reaching age 59½, severance from employment, disability or certain hardships (if allowed by the plan); a 457(b) account only upon reaching age 59½, severance from employment, disability or an unforeseeable emergency (if allowed by the plan); and a 401(a) account only upon reaching a specified age, severance from employment or disability. If you take money out before age 59½, you could be subject to a federal penalty tax of 10% (except for 457(b) accounts) in addition to income taxes. You should consult with a tax advisor regarding any tax-favored products.