



403(b) vs. 457(b)

Plan	403(b) Pre-Tax	Roth 403(b)	457
Investment Products	Mutual Funds, Fixed Accounts, Variable and Fixed Annuities		Guaranteed principal and interest funds, variable annuities, time deposit accounts and certificates of deposit, no-load mutual funds, securities, evidences of indebtedness, and Qualified Longevity Annuity Contracts (QLACs)
Employee Deferral Limit	\$19,500 in 2020 <i>*Contributions to 403(b) and Roth 403(b) must be aggregated</i>		\$19,500 in 2020 <i>*Contributions to 457 do not count towards the 403(b)/Roth 403(b) limit</i>
Catch-Up Provision	<p>Plan permits participants age 50 or older at any time during 2020, to make an additional \$6,500 pre-tax (or post-tax Roth) elective salary deferral. 50+ catch-up contributions can be made to both 403(b) and 457 plans in the same year.</p> <p>Those with 15 years or more of service at <u>UCF</u> may be able to make up to an additional \$3,000 elective salary deferral and/or Roth contribution per year (\$15,000 max lifetime). Prior year contributions may limit this amount. Employee may make both 50+ and 15-year catch-up contributions in the same year. Ordering rule applies; excess contributions to 15 year catch-up first.</p> <p>Review the eligibility requirements for the 15 years of service catch-up on the Catch-up Agreement form.</p>		<p>Plan permits participants age 50 or older at any time during 2020, to make an additional \$6,500 pre-tax elective salary deferral. 50+ catch-up contributions can be made to both 403(b) and 457 plans in the same year.</p> <p>There is also a standard catch-up provision which allows deferrals up to twice the regularly established maximum in effect for the calendar year in which the participant has been approved. The earliest you can participate in this provision are the 3 calendar years that you qualify for unreduced benefits from the FRS. The 50+ catch-up cannot be used in the same year as the standard catch-up.</p> <p>Employees are advised to speak to their investment provider regarding eligibility for the standard catch-up.</p>



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Withdrawals	<p>Generally, penalty-free distributions may occur:</p> <ul style="list-style-type: none"> • Age 59 ½ • Separating from employment • Retire before age 55 — <p>Consult with your investment provider</p> <ul style="list-style-type: none"> • Disability • Death • Hardship <p>Employees are advised to consult with their investment provider or tax professional before accessing funds from their 403(b).</p>	<p>Roth distributions are tax free if first contribution was made at least 5 years earlier and the owner is at least 59 ½, disabled or deceased.</p> <p>Consulting a tax professional before accessing 403(b) money is highly recommended.</p>	<p>Distributions may occur:</p> <ul style="list-style-type: none"> • After a 31 day separation from employment regardless of age; • Unforeseeable emergency as provided in 6.01(6)(d) of the plan document; • De Minimis Distribution (restrictions may apply); • In-service distribution in calendar year participant attains age 70.5; • Death of participant; • If funds are in a separate sub-account attributable to rollover contributions.
Loan Provision	Yes (<i>except for SUSORP accounts</i>)		Yes, but check with your provider as some exceptions may apply.
Rollovers to Outside Plans	To the Florida Retirement System for the purpose of purchasing or upgrading service credit under the FRS Pension Plan.		Not until separation from service with the State of Florida.
Taxes on Distributions	Taxable in Year funds are distributed.	Roth distributions are tax free if first contribution was made at least 5 years earlier and the owner is at least 59 ½, disabled or deceased.	Taxable in Year funds are distributed.