

Catch-up Contributions:

Catch up now. Be prepared later.

Not everyone can save as much—or start saving as early—for retirement as they'd like. But what if you could catch up on the savings you missed? The great news is that if you're age 50 or older, you can. Making catch-up contributions can boost your retirement savings, especially if you began saving later or feel you'll need more retirement funds. As you approach retirement, making catch-up contributions can help your financial future be more secure.

WHAT ARE CATCH-UP CONTRIBUTIONS?

If you are age 50 or older by the end of the year, the Internal Revenue Service (IRS) allows you to make additional contributions to your 401(k), 403(b), or other eligible retirement plan. These contributions are designed to help you increase your savings as you get closer to retirement.

For example, in 2025, the standard 401(k) and 403(b) contribution limit is \$23,500, but if you are eligible for catch-up contributions, you can contribute an additional \$7,500, bringing your total contribution limit to \$31,000. New in 2025, savers age 60-63 are allowed a higher catch-up contribution limit of \$11,250, bringing your total contribution limit to \$34,750. Similar rules apply to IRAs and other retirement accounts, though with different limits. Read the [Cost of Living Adjustment Flyer](#) to learn more.

HOW CAN I USE CATCH-UP CONTRIBUTIONS?

- ❑ Review your financial situation and retirement income goals. The projection tool on your employee website can help you see how much income you could have in retirement. Consider speaking with a financial advisor to create a strategy that's right for you.
- ❑ If you may need more retirement savings, calculate how much you need to save to meet your retirement income goals and whether making catch-up contributions can help you fill that gap.
- ❑ Adjust your budget to accommodate these catch-up contributions, like cutting back on non-essential expenses or finding ways to increase your income.
- ❑ Stay informed about the current contribution limits and any changes to tax laws that may affect your retirement planning.



Keep in mind that pre-tax contributions to retirement accounts can lower your taxable income, which may help reduce your total tax obligation.



CATCH-UP CONTRIBUTION CHANGES

In recent years, Congress has passed new laws that expand some rules around catch-up contributions. In 2026, savers earning more than \$145,000 (indexed) a year will be required to make catch-up contributions as Roth contributions. Ascensus will continue to keep you and your employer updated.



By strategically making catch-up contributions, you can improve your retirement readiness. Log into your employee website to change your savings rate.

Learn more

Tap into more resources that can help you prepare for a better future. Visit [Retirement Saving Resources](#).

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