

## 403(b) vs 457(b) Plan Comparison

Feature	457(b)	403(b)
<b>Contribution maximum limits (can contribute to both plans)</b>	2026: \$24,500; \$32,500 age 50+, \$35,750 ages 60-63	2026: \$24,500; \$32,500 age 50+, \$35,750 ages 60-63
<b>Retirement Contributions Tax Credit</b>	Up to \$1,000 (\$2,000 if filing jointly)	Up to \$1,000 (\$2,000 if filing jointly)
<b>Early withdrawal penalty tax</b>	None	10%
<b>Investment options</b>	Managed allocations or self-directed mutual funds.	Fixed/Variable interest annuities or mutual funds/custodial accounts
<b>Investment committee/advisor oversight</b>	Yes, managed by HUB Investment Partners & Investment Oversight Board (made of superintendents & CFOs).	No
<b>Distribution restrictions</b>	Funds can be requested upon: <ul style="list-style-type: none"> <li>o Age 59 1/2</li> <li>o Separation from employer</li> <li>o Disability</li> <li>o Death</li> <li>o Unforeseeable emergency</li> </ul>	Funds can be requested upon: <ul style="list-style-type: none"> <li>o Age 59 1/2</li> <li>o Age 55 and/or leaving employer</li> <li>o Disability</li> <li>o Death</li> <li>o Financial hardship</li> </ul>
<b>Financial Hardship/Unforeseeable Emergency Distributions</b>	Must be an unforeseeable Emergency. Can include the following criteria is met: <ul style="list-style-type: none"> <li>o Medical expenses</li> <li>o Funeral expenses</li> <li>o Foreclosure/eviction</li> <li>o Certain hurricanes and natural disasters</li> </ul>	Qualified for the following causes: <ul style="list-style-type: none"> <li>o Medical care</li> <li>o Foreclosure/eviction</li> <li>o Tuition payment</li> <li>o Buying a home</li> <li>o Funeral costs</li> <li>o Home repair costs</li> <li>o Disaster relief</li> </ul>
<b>Loans</b>	Permitted; loans from all qualified plans limited to the lesser of 50,000 or 50% of vested account balance.	Permitted; loans from all qualified plans limited to the lesser of \$50,000 or 50% of vested account balance.
<b>Required minimum distributions</b>	RMD rules apply at age 72 or later, severance from service, or after death.	RMD rules apply at age 72 or later, severance from service, or after death

**Have questions? We're here to help.**

Schedule a TeleWealth™ virtual meeting at [www.tcgservices.com/telewealth](http://www.tcgservices.com/telewealth) or by calling the Advisor Hotline at 512-600-5204.

