

403(b) & 457(b) Retirement Savings Plans Comparison Chart

Feature	403(b)	457(b)
IRS Annual Contribution Limits	<u>2024 Limits</u> \$23,000 under age 50 Up to \$30,500, age 50 or older with 15 years of service with Tomball ISD	<u>2024 Limits</u> \$23,000 under age 50 Up to \$30,500, age 50 or older with 15 years of service with Tomball ISD
Exchanges to Fidelity from a current TISD provider	Allowed from any current TISD approved 403(b) vendor.	Allowed from any current TISD approved 403(b) vendor.
Rollovers from former Employers or IRAs	Rollovers in are allowed from 401(a), 401(k), 403(b) and 457(b) Governmental Plans..	Rollovers in are allowed from 401(a), 401(k), 403(b) and 457(b) Governmental Plans.
Loans	Only 2 loans allowed across both plans. Can only be taken from balances at Fidelity. Not allowed if you have had a loan default with any other TISD vendor.	Only 2 loans allowed across both plans. Can only be taken from balances at Fidelity. Not allowed if you have had a loan default with any other TISD vendor.
Distributable Events	Age 59.5, severance from service, retirement, disability and financial hardship as defined by the plan.	Age 59.5, severance from service, retirement, disability and financial hardship as defined by the plan.
Penalties for Early Withdrawals	10% IRS penalty before age 59.5 and may be subject to income taxes.	No 10% early withdrawal penalty, but may be subject to income taxes.
Emergency Withdrawals	<u>Financial Hardship</u> Examples: Prevent eviction or foreclosure, purchase of a principal residence, loss-related repairs on principal residence, out-of-pocket medical expenses, post-secondary education, current funeral or burial expenses	<u>Unforeseen Emergency</u> Examples: Prevent eviction or foreclosure, medical expenses not reimbursed by insurance, funeral expenses for a family member
Distribution Options after Separation from Service or Retirement	Lump Sum (Full payout or partial), Systematic Withdrawal Payments (SWP), and Minimum Required Distributions (MRD).	Lump Sum (Full payout or partial), Systematic Withdrawal Payments (SWP), and Minimum Required Distributions (MRD).
Minimum Distribution Requirements	Applicable to accumulation at age 72 (age 75 for pre-1987 accumulations) or retirement, whichever is later.	Applicable to entire accumulation at age 72 or retirement, whichever is later.
Taxability	Amounts are taxable when distributed. 1099-R issued by investment provider.	Amounts are taxable when distributed. 1099-R issued by investment provider.
<i>This document provides only a summary of the main features of the Tomball Independent School District 403(b) and 457(b) Plans and the Plan documents will govern in the event of any discrepancy.</i>		