

Increased catch-up limit for ages 60-63

SECURE 2.0 Section 109 (for 401(k), 403(b), governmental 457(b), or SIMPLE plans that offer age-50 catch-up contributions)

What is it?

- Effective January 1, 2025, the age-50 catch-up limit is increased to the greater of (1) \$10,000 or (2) 150% of the regular annual catch-up limit for participants attaining ages 60-63.
- In the year the participant attains age 60, they can contribute at the increased limit.
- In the year the participant attains age 64, the limit returns to the standard catch-up limit.

Path forward

- If your plan permits age-50 catch-up contributions and Empower monitors deferral limits, we will automatically apply the increased contributions effective 1/1/25. If you do not want this limit increased let your Empower Relationship Manager know by 12/1/2024.
- If the plan (or their TPAs or payroll provider) monitors deferral limits, they may need to make changes to track these increased catch-up limits.



**Empower
Standard**



**Review
communication**



**Plan
amendment
required**



**Potential payroll
implications**