Indiana University – 403(b) and 457(b) Plans
Universal Availability Notice

Special Notice Regarding Your Retirement Plans

This notice is being provided to you as a participant in an IU-sponsored retirement plan. IU wants to make you aware of your right to supplement your retirement income by making elective deferrals to the IU Tax Deferred Account Plan ("TDA Plan") and/or the IU 457(b) Retirement Plan ("457(b) Plan"), and to notify you of important contribution limits under the Internal Revenue Code that may impact your retirement planning.

Your right to make voluntary elective deferrals

For 2026, you can elect to defer up to $24,500 of your compensation to the TDA Plan and $24,500 to the 457(b) Plan. You may also make an additional $8,000 deferral to each plan if you are aged 50 or older by the end of the year, which increases to $11,250 in the years that you are age 60, 61, 62 or 63. You can choose to invest your deferrals in any of the investment options approved under the plans.

You can choose to make deferrals as pre-tax savings contributions, Roth savings contributions made on an after-tax basis, or a combination of traditional pre-tax and Roth contributions. The method you choose will make a difference in your take home pay. You may wish to consult with your financial advisor or tax professional for assistance in determining whether pre-tax or Roth contributions make the most sense for you.

Regardless of the type of contribution you choose, your investment earnings are not taxed until you receive a distribution. If the distribution rules are satisfied, distributions from your pre-tax contribution account will be taxed at ordinary income tax rates, but distributions from your Roth contribution account will be tax-free. To satisfy the distribution rules, distributions may generally only be made after separation from service, reaching age 59½, disability, or death. Roth contributions must also be held for five years from the date that you first make Roth contributions under the TDA Plan or the 457(b) Plan, as applicable.

Begin saving for your future by making a deferral election in the Employee Center. If you have questions, please contact IU Human Resources at askhr@iu.edu or 812-856-1234.

Aggregation rules with other retirement plans

It is important that you understand how your contributions to other plans may impact your contributions to IU-sponsored retirement plans.

402(g) Limit on Elective Deferrals

Internal Revenue Code section 402(g) limits the aggregate annual elective deferrals that you can make under all 403(b) plans (including the TDA Plan), 401(k) plans (including the IU Health 401(k) Plan), and salary reduction simplified employee pension plans.[1] For 2026, the 402(g) limit is

[1] *Contributions to the IU 457(b) Plan are subject to a separate contribution limit, and do not impact elective deferrals to the TDA Plan.*

$24,500 (or $32,500 if you are age 50 or older by the end of the year, which increases to $35,750 in the years that you are age 60, 61, 62 or 63). You are responsible for monitoring the 402(g) limits when you participate in more than one retirement plan. If you determine that excess elective deferrals were made due to your participation in multiple retirement plans, please contact Fidelity at 800-343-0860.

457(b) Limit on Elective Deferrals

Internal Revenue Code section 457(b) limits the aggregate annual elective deferrals that you can make under all governmental and non-governmental 457(b) plans sponsored by all employers (including the IU Health 457(b) plan for dually employed physicians). For 2026, the 457(b) limit is $24,500 (or $32,500 if you are age 50 or older by the end of the year, which increases to $35,750 in the years that you are age 60, 61, 62 or 63). You are responsible for monitoring the 457(b) limits when you participate in more than one retirement plan. If you determine that excess elective deferrals were made due to your participation in multiple retirement plans, please contact Fidelity at 800-343-0860.

415(c) Limit on Total Contributions

Internal Revenue Code section 415(c) limits the aggregate employer and employee contributions that can be made to the IU Retirement Plan and TDA Plan. For 2026, the 415(c) limit is the lesser of $72,000[2] or 100% of compensation.

In addition, in determining whether the 415(c) limit has been satisfied for the IU Retirement Plan and TDA Plan, contributions made on your behalf to a retirement plan maintained by another employer may need to be taken into account. This may occur if you own or control more than 50% of another employer, and that employer sponsors a retirement plan. In order to determine whether this special aggregation rule affects you, please answer the following three questions:

1. Do you perform services for an employer in addition to Indiana University?

2. Do you own or control more than 50% of that other employer?

3. Do you make contributions or are contributions made on your behalf to a retirement plan sponsored by that other employer?

If you answered "yes" to all three of these questions, please contact your financial advisor or tax professional to determine if contributions to the retirement plans are required to be aggregated. If the contribution limits are exceeded and not timely corrected, the tax advantaged status of your retirement benefits could be at risk. If you determine that excess contributions were made due to your participation in multiple retirement plans, please contact Fidelity at 800-343-0860.

Note that this is an extremely abbreviated overview of complex rules. IU cannot serve as a tax or financial advisor for participants, and application of the rules must be made by each participant and their advisor.

[2] *This does not include age 50 catch-up contributions, which are not subject to the Code Section 415(c) limit.*