

IRS retirement contribution limits for 2026 have been announced

- Yale University Retirement Account Plan
- Yale University Matching Retirement Plan
- Yale University Tax-Deferred 403(b) Savings Plan

2026 IRS Contribution Limits:

Age on December 31, 2026	Amount You May Contribute in 2026
49 and under	\$24,500
50–59	\$32,500 (\$24,500, plus \$8,000 Catch-up)
60–63	\$35,750 (\$24,500, plus \$11,250 Catch-up)
64 and older	\$32,500 (\$24,500, plus \$8,000 Catch-up)

If you have previously elected to contribute the IRS maximum annual amount, then we will automatically increase your contribution for the age 50 Catch-up or the age 60-63 increased Catch-up.

There are federal limits that apply to the maximum amount you can contribute to the Plan, as well as the maximum salary that can be considered for University Contributions, i.e. the IRS 401(a)(17) compensation limit (\$360,000 in 2026).

Effective January 1, 2026—Important Change for Participants Over Age 50 Who Earned More Than \$150,000 From Yale in 2025*

Beginning in 2026, the Internal Revenue Service requires that participants age 50 or older who earned more than \$150,000 (indexed) in the previous Calendar Year may make Catch-up contributions only on a Roth 403(b) after-tax basis.

If you are impacted by this requirement, and if you have a deferral election in effect when your Pre-Tax deferrals reach the regular 402(g) deferral limit in 2026, you will be deemed to have elected to make Catch-up Contributions as Roth 403(b) After-Tax Contributions.

This means your deferrals will automatically continue for the rest of the calendar year (or until you have deferred the maximum Catch-up Contribution amount) as Roth 403(b) After-Tax Contributions. This change will maintain the level of contributions to your account that you have elected. However, as noted above, the portion of your contributions that are made to your Roth 403(b) account will be subject to taxation in the current year, and taxes on that amount will be withheld from your paycheck, resulting in a reduction in your take-home pay. As noted above, those contributions that are taxed when made will not be taxed in the future when they are distributed (unlike regular tax-deferred 403(b) contributions that will be taxed upon distribution).

If your Catch-up Contributions are required to be Roth 403(b) After-Tax Contributions and you do not want to make Roth 403(b) After-Tax Contributions, you will need to contact TIAA at 855-250-5424 or visit TIAA.org/yale to review your deferral rate to ensure your total contributions do not exceed the regular 402(g) limit and stop your deferrals, if necessary. Remember to review your contributions at the beginning of the following calendar year to restart your regular contributions.

You should consult with your tax advisor to determine the contribution rates and types that make sense for your personal situation.

*The Secure Act 2.0 was passed into law in December 2022 and included a provision that if your employer paid you more than \$150,000 (indexed) in FICA W-2 Box 3 wages in the prior calendar year, you may make Catch-up Contributions only on a Roth 403(b) After-tax basis. This provision was initially slated to become effective January 1, 2024 but was delayed until January 1, 2026.

Yale University 457(b) Deferred Compensation Plan

For the **Yale University 457(b) Deferred Compensation Plan**, the maximum amount you can contribute in 2026 is \$24,500. Eligible participants in the 457(b) plan include tenured professor, professor on continuing appointment in the School of Medicine, or faculty or staff with a base salary at least 1.5 times the Social Security Wage Base (\$276,750 in 2026).

2025 IRS Contribution Limits:

Age on December 31, 2025	Amount You May Contribute in 2025
49 and under	\$23,500
50–59	\$31,000 (\$23,500, plus \$7,500 Catch-up)
60–63	\$34,750 (\$23,500, plus \$11,250 Catch-up)
64 and older	\$31,000 (\$23,500, plus \$7,500 Catch-up)