

Roth 403(b) TDA vs. Roth IRA

	Traditional 403(b)	Roth 403(b)	Roth IRA
Eligibility	All Employees	All Employees	<ul style="list-style-type: none"> If filing status is single or head-of-household, Adjusted Gross Income "AGI" must not be more than \$146,000 (2024) If filing status is married filing jointly, combined AGI must not be more than \$230,000 (2024) Eligibility limits based on income.
2024 Contribution Limits*	\$23,000, plus up to \$3,000 under the 15-year catch-up, plus \$7,500 if age 50+.	\$23,000, plus up to \$3,000 under the 15-year catch-up, plus \$7,500 if age 50+.	\$7,000, plus \$1,000 if age 50+
Tax-Free Qualified Distribution**	Not available. All distributions are taxed as ordinary income	If the following criteria are met: 5 year holding period and distribution due to: <ul style="list-style-type: none"> Attainment of age 59 ½ Disability Death 	If the following criteria are met: 5 year holding period and distribution due to: <ul style="list-style-type: none"> Attainment of age 59 ½ Disability Death Certain first-time home purchase
Distributions Permitted (may be subject to taxation if the distribution is not a Qualified Distribution)	<ul style="list-style-type: none"> Age 59 ½ Death Disability Financial Hardship Separation from service 	<ul style="list-style-type: none"> Age 59 ½ Death Disability Financial Hardship Separation from service 	At any time (no restrictions apply)
Internal Revenue Service 10% Premature Distribution Penalty Tax	Applicable to all amounts distributed prior to age 59 ½, unless an exception applies.	Applicable to earnings distributed prior to age 59 ½, unless an exception applies.	Applicable to earnings distributed prior to age 59 ½, unless an exception applies.
Loan Availability	Yes	Yes	No
Required Minimum Distribution	Yes	Yes	No, during owner's lifetime

Contact us at: 403b-Ops@pentegra.com or call us at (914) 909-1421.

*TDA limits can vary based on your facts and circumstances. Contact your benefits office for available limits.

**Note that distributions from the Roth 403(b) and Roth IRA are subject to taxation on the portion attributable to earnings if made before Qualified Distribution provisions are satisfied.

***This chart is provided solely for informational purposes and does not constitute investment, tax, or legal advice.

This chart was adapted from the material created by University of Texas Retirement Program.

