

# Catch Up Contributions

*Need help determining how much to contribute per pay period to save the maximum allowed based on your age and the IRS maximum? Check out FINRA's "save the max" calculator as a resource.\*\**

## IMPORTANT UPDATES BEGINNING IN 2026

Starting in 2026, individuals earning more than \$150,000 in prior year FICA wages must make 401(k) and 403(b) catch-up contributions as Roth rather than pre-tax.

### Who is subject to the mandatory Roth catch-up rule?

- Individuals earning more than \$150,000 in FICA wages (W-2, Box 3) from their current employer in the prior year.
- Not affected:
  - Self-employed individuals with no FICA wages.
  - New hires who did not have prior-year wages from the employer.

Higher earners may wish to start planning now for the transition since Roth contributions are after-tax, meaning they won't reduce taxable income but will allow for tax-free withdrawals in retirement.

## WHAT ARE CATCH-UP CONTRIBUTIONS?

Catch-up contributions are salary deferrals (also referred to as "elective deferrals") that employees age **50 or older** can make in addition to their regular retirement plan contributions. Like regular elective deferrals, catch-up contributions can be pre-tax elective deferrals or designated Roth contributions, as chosen by the employee.

*Note: If your prior year W-2 pay exceeded \$150,000 in 2025 (as indexed each year), refer to the important update above.*

## HOW MUCH IN CATCH-UP CONTRIBUTIONS CAN I CONTRIBUTE?

The maximum amount of additional elective deferrals that you can contribute at age 50 is equal to the smaller of the following amounts:

- For 401(k) (*not SIMPLE*), 403(b), governmental 457(b) and SARSEP plans: \$8,000 in 2026.
- Your annual compensation minus your salary deferrals that are not catch-up contributions

For years in which you turn 60, 61, 62 or 63 you can boost your salary deferrals (traditional or Roth) to your 401(k) or 403(b) plan with an increased catch-up contribution limit of \$11,250 - an additional \$3,250 above the standard \$8,000 age 50 catch up limit.

*Note: 457(b) plans for non-profit employers may not take advantage of the benefit.*

For the year in which you turn 64 or older your limit will revert to the age 50 catch up limits (\$8,000 for 2026 and indexed each year for cost-of-living adjustments).

The chart below highlights examples of maximum catch-up contributions based on your age on December 31st of each calendar year from 2026-2028. If you were born in 1963-1966 you will be eligible to contribute the extra catch up for 2026. If you were born in 1964-1967 you will be eligible to contribute extra catch up in 2027, and so on.

Birth Year	2026	2027*	2028*
1963	\$11,250 (age 63)	\$8,000 (age 64)	\$8,000 (age 65)
1964	\$11,250 (age 62)	\$11,250 (age 63)	\$8,000 (age 64)
1965	\$11,250 (age 61)	\$11,250 (age 62)	\$11,250 (age 63)
1966	\$11,250 (age 60)	\$11,250 (age 61)	\$11,250 (age 62)
1967	\$8,000 (age 59)	\$11,250 (age 60)	\$11,250 (age 61)
1968	\$8,000 (age 58)	\$8,000 (age 59)	\$11,250 (age 60)

*\*Dollar amounts are for representation only, actual catch-up amounts are subject to cost of living adjustments each year.*

Elective deferrals are counted for both the regular annual deferral limit and the catch-up contribution limit based on the calendar year. A deferral is counted for a calendar year only if the wages subject to the deferral election would otherwise have been paid or made available to the employee during the year.

## HOW DO I CALCULATE MY MAXIMUM CONTRIBUTION AMOUNT?

To calculate the contribution amount you'll need to make from each paycheck to max out by the end of the year, simply subtract your current annual contribution total from the total contribution limit, including your catch-up limit, and divide it by the remaining number of paychecks for the rest of the year.

For instance, if you are ages 60-63, say you've contributed \$2,000 so far for 2026, and your contribution limit is \$35,750. You'd have to contribute another \$33,750 for the year to max out. If there are 24 paychecks left this year, you'd need to contribute \$1,406.25 per paycheck. The calculation is:  $(35,750 - 2,000) / 24$ .

To calculate the percentage per pay, simply divide the per pay dollar amount by your per pay income. For example, if your per pay income is \$4,687.50 you would elect 30%. The calculation is  $(1,406.25 / 4,687.50)$ . Percentage elections are required to be in increments of 1%, therefore it is best to round up or calculate to maximize a payroll before the end of the year. Sentinel's system will safeguard you from going over the maximum allowable contribution for the year.

## HOW DO I CHANGE THE AMOUNT I CONTRIBUTE?

To take advantage of these new limits, log in to your online account and update your contribution elections. For assistance with making this update, contact our Service Center at (888) 762-6088 or [view our contribution change overview](#).

\*\* This calculator is intended for general informational purposes only and should not be considered legal, tax, investment, or financial advice. The results are estimates based on the information you provide and may not reflect actual outcomes. Factors such as taxes, fees, interest rates, and individual financial circumstances can significantly impact results. Always consult a qualified professional before making financial decisions.