403(b) vs 457(b) Plan Comparison

Feature	457(b)	403(b)
Contribution maximum limits (can contribute to both plans)	2026: $24,500; $32,500 age 50+, $35,750 ages 60-63	2026: $24,500; $32,500 age 50+, $35,750 ages 60-63
Retirement Contributions Tax Credit	Up to $1,000 ($2,000 if filing jointly)	Up to $1,000 ($2,000 if filing jointly)
Early withdrawal penalty tax	None	10%
Investment options	Managed allocations or self-directed mutual funds.	Fixed/Variable interest annuities or mutual funds/custodial accounts
Investment committee/advisor oversight	Yes, managed by HUB Investment Partners & Investment Oversight Board (made of superintendents & CFOs).	No
Distribution restrictions	Funds can be requested upon: o Age 59 1/2 o Separation from employer o Disability o Death o Unforeseeable emergency	Funds can be requested upon: o Age 59 1/2 o Age 55 and/or leaving employer o Disability o Death o Financial hardship
Financial Hardship/Unforeseeable Emergency Distributions	Must be an unforeseeable Emergency. Can include the following criteria is met: o Medical expenses o Funeral expenses o Foreclosure/eviction o Certain hurricanes and natural disasters	Qualified for the following causes: o Medical care o Foreclosure/eviction o Tuition payment o Buying a home o Funeral costs o Home repair costs o Disaster relief
Loans	Permitted; loans from all qualified plans limited to the lesser of 50,000 or 50% of vested account balance.	Permitted; loans from all qualified plans limited to the lesser of $50,000 or 50% of vested account balance.
Required minimum distributions	RMD rules apply at age 73 or later, severance from service, or after death.	RMD rules apply at age 73 or later, severance from service, or after death

Learn more at www.tcgservices.com

TCG, a HUB International company | 900 S. Capital of Texas Hwy, Suite 350, Austin, TX 78746 Customer Service: 800.943.9179 | www.tcgservices.com

Remember all investing involves risk.