

CITY OF MADISON

Your 457(b) Plan Matters



Why save to your 457(b) deferred compensation plan when you already have a 401(k) plan?

1. No Early Withdrawal Penalties

A 457(b) plan avoids the IRS 10% early withdrawal penalty tax, regardless of your age.*

2. Plan For Other Savings Goals

Do you have another retirement savings goal, such as covering medical costs or long-term care? Having another savings bucket can help.

3. Save Big

When you max out contributions to one plan you can save more in the other. Visit www.missionsq.org/contributionlimits to view current year maximum contribution amounts.

Your 457(b) plan can bridge the gap between an early retirement and age 59½.

At age 59½, you can withdraw from any retirement account without penalty taxes.

MissionSquare does not dispense tax advice. Please consult a tax advisor in your state regarding your specific situation.

Questions? Contact your MissionSquare Retirement Plans Specialist for more information.



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Scan the QR code to schedule a meeting

*Non-457(b) assets rolled into a 457(b) account maintain the same account characteristics and are subject to a 10% penalty if withdrawn before 59½, unless an exception applies.