

# You choose how you reach your goals

The San Diego Unified School District 457(b) vs 403(b) Retirement Plans



The San Diego Unified School District offers three plans to help you accumulate money for your future. Start with the 457(b) plan, the 403(b) plan ... or both!

Sound complicated? Your financial advisor is on call to meet with you and help you tailor your strategy to your specific needs.

Start building your retirement income today. Visit [MyRetirementManager.com](http://MyRetirementManager.com) or call 619-718-7000 to begin planning your vision for the future.

### How can I decide?

Your goals are one thing, how you get there is another. Consider how plan features correspond with your unique situation, such as your age, anticipated career path and long-term financial objectives.

### How much can I contribute?

457(b)	403(b)
Up to \$19,000 in 2019 plus possible catch-up contributions:	\$19,000 in 2019 plus possible catch-up contributions:
Up to \$19,000 more in 2019 if you:	Up to \$3,000 more in 2019 if you:
<ol style="list-style-type: none"> <li>1. Are within the last three taxable years ending the year before normal retirement age under the plan and</li> <li>2. Have undercontributed in prior years</li> </ol>	<ol style="list-style-type: none"> <li>1. Have undercontributed in the past and</li> <li>2. Have at least 15 years of service</li> </ol>
<b>Or</b>	<b>And</b>
An additional \$6,000 more in 2019 if you are an eligible governmental employee and age 50 or older	An additional \$6,000 more in 2019 if you are age 50 or older If you are eligible for both the 15-year catch-up and the "age 50" catch-up, the 15-year catch-up must be exhausted first

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### How do the plans differ?

457(b)	403(b)
More stringent withdrawal restrictions while you are employed.	Less stringent withdrawal restrictions while you are employed.
Generally withdrawals made prior to severance from employment or the year in which you reach age 70½ can only be made for an unforeseeable emergency.	Generally withdrawals made prior to severance from employment or the year you turn 59½ can only be made due to financial hardship.
An unforeseeable emergency is more restrictive — while you are employed — than a 403(b) hardship. <ul style="list-style-type: none"> <li>– A sudden and unexpected illness or accident for you or a dependent</li> <li>– Loss of your property due to casualty</li> <li>– Other similar extraordinary circumstances arising as a result of events beyond your control. However, sending a child to college or purchasing a home is not considered an unforeseeable emergency</li> </ul>	A financial hardship withdrawal is considered less restrictive — while you are employed — than a 457(b) unforeseeable emergency. Examples of financial hardship include: <ul style="list-style-type: none"> <li>– Unreimbursed medical expenses</li> <li>– Payments to purchase a principal residence</li> <li>– Higher education expenses</li> <li>– Payments to prevent eviction or foreclosure of a mortgage</li> </ul>
The 10% federal early withdrawal tax penalty generally applicable to distributions prior to age 59½ from a 403(b) plan, does not apply to distributions from a 457(b) plan, except on amounts rolled over from non-457(b) plans.	Withdrawals may be subject to a 10% federal early withdrawal tax penalty prior to age 59½.

### What's the maximum I can contribute to both plans?

457(b)	403(b)
\$19,000 basic contribution	\$19,000 basic contribution
+ 19,000 eligible employees within the last three taxable years ending in the year before normal retirement age under their plan	+ 3,000 eligible employees with 15 or more years of service
<b>\$38,000</b>	+ 6,000 employee age 50 or older
or	<b>\$28,000</b>
\$19,000 basic contribution	
+ 6,000 employee age 50 or older	
<b>\$25,000</b>	
Potential maximum combined contribution in 2018 — <b>\$37,000 + \$27,500 = \$64,500</b>	

## Your Future is Calling. Meet It with Confidence.

**CLICK** [aig.com/Retirement Services](http://aig.com/RetirementServices) **CALL** 1-800-426-3753 **VISIT** your financial advisor

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