

There is an upcoming change to retirement plan rules under the [SECURE 2.0 Act](#) that applies to certain NU 403(b) retirement plan participants beginning January 1, 2026.

The change only applies to you if you will be 50 or older in 2026 and your 2025 FICA wages exceed \$150,000 (Form W-2 Box 3).

If both criteria apply to you:

- All 2026 (and subsequent years) catch-up contributions for the University's 403(b) plans will be automatically deemed to be Roth after-tax contributions. In 2026, catch-up contributions are those over the IRS contribution limit of \$24,500.
- Your current contribution elections will continue unless you change them, and without any action on your part the catch-up component of your contribution will be Roth after-tax starting in 2026. The age and wage criteria will be reviewed annually, also without any action on your part.

This update is a federal requirement under the SECURE 2.0 Act, and the change to NU's administration of the 403(b) retirement plans ensures compliance with the new IRS rules. Plan participants below the wage threshold are not affected and can continue with catch-up contributions on a pre-tax or Roth after-tax basis.

While no action is required, if you take advantage of the IRS catch-up rules and you expect your prior-year FICA wages to exceed \$150,000, you may want to review your elections in 2026. For example, if you previously elected a mix of pre-tax and Roth after-tax contributions, your allocations may be changed by the new requirement that catch-up contributions will be deemed to be Roth after-tax (the 2026 IRS catch-up limit is \$8,000, and the IRS special catch-up is \$11,250 if you are ages 60-63). In addition, taxes on Roth after-tax contributions are paid upfront, which may impact your take-home pay.

Please look for more information and reminders, including from Fidelity and TIAA. We encourage you to visit the [Retirement Plans](#) website and consult with your financial and tax advisors to understand what is appropriate for you. [TIAA and Fidelity representatives](#) are also available to answer your questions.

Benefits Office
Human Resources

