CATCH-UP, SUPER CATCH-UP, & ROTH REQUIREMENTS:

What to know about them

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What are catch-up contributions?

Catch-up contributions allow people age 50 or older to save more in their retirement plans than the standard annual limit. They are designed to help individuals boost retirement savings later in their careers. Catch-up contributions may be available in these plans, but availability also depends on the retirement plan:

- 401(k) & 403(b) plans
- IRAs
- SIMPLE IRAs

What are super catch-up contributions?

Super catch-up contributions are a higher catch-up amount available to individuals ages 60 through 63 in certain workplace retirement plans.

- They began on January 1, 2025
- They replace the standard age-50 catch-up during those years
- They apply to individuals who attain the ages of 60–63 during the calendar year
- Not all plans offer super catch-up contributions

2026 Contribution limits (overview)

Plan type	Regular limit	Age 50+ catch-up	Super catch-up (Age 60-63)
401(k) & 403(b) plans	$24,500	$8,000	$11,250
IRA	$7,500	$1,100	Not available
SIMPLE IRA	$17,000	$4,000	Not available

Mandatory Roth catch-up contributions

Beginning January 1, 2026, highly paid individuals (any employee with pay over $150,000 in the prior year) who make catch-up contributions will be required to treat the catch-up portion as a Roth deferral, or they can't make it. The income threshold is based on FICA wages; therefore, this doesn't apply to certain business owners (e.g., sole proprietors, partners)

All amounts reflect the 2026 limits. This overview is for educational purposes only. Contribution limits and rules are determined by the IRS.

Impact

If the plan does not allow Roth deferrals, highly paid individuals aged 50 and older will not be able to take advantage of the catch-up contribution. If that is not enough to cause concern, the impact may be greater. Highly compensated employees who defer less than the annual limit often have their deferrals recharacterized as catch-up contributions to avoid testing for refunds.

If the plan fails ADP testing, and Roth is not available in the plan, highly paid individuals with testing excesses will be required to take a refund because they won't be able to recharacterize these amounts as a catch-up. The same is true if other limits are unintentionally exceeded. If Roth is permitted, the plan can use an in-plan Roth rollover feature to move amounts from a pre-tax deferral account to a Roth deferral account to correct a situation in which a highly compensated individual over age 50 made a pre-tax catch-up contribution.

Recommended action

We recommend including Roth deferrals in any new 401(k) plan and amending any current plans to allow Roth, as is now required for highly paid individuals to continue to making catch-up contributions.