

Comparison of 403(b) and 457 (b) Tax-deferred Annuities

All UNM employees have the option to contribute to tax-deferred annuities (TDAs).

	403(b) Plans	457(b) Plans	Additional Comments
Eligibility	ALL employees are eligible to participate upon employment.	ALL employees are eligible to participate upon employment.	
Employee Contributions	Up to \$18,000 in 2016	Up to \$18,000 in 2016	Can contribute up to \$36,000 in total for the two plans. No minimum to open an account. UNM does not match contributions.
Age 50 Catch-up	Additional \$6,000 in contributions allowed for those ages 50 or older.	Additional \$6,000 in contributions allowed for those ages 50 or older.	Can elect the age 50 catch-up in both plans for a maximum of \$48,000. UNM does not match contributions.
Portability of Benefits	Upon separation from UNM, age 59 ½, early retirement at age 55 or older, disability, death, or qualified reservist distribution. Loans are available.	Upon separation from UNM or at retirement. Hardship withdrawals are allowed. Loans are available.	

	403(b) Plans	457(b) Plans	Additional Comments
Early Withdrawal Penalty	<p>10% penalty may apply on withdrawals if you are under age 59 ½.</p> <p>(Exceptions*: Generally, a 0% penalty if you rollover the amount within 60 days to a qualified plan, separate from service at age 55+, receive a Qualified Reservist Distribution, have certain unreimbursed deductible medical expenses, are totally and permanently disabled, separate from service and receive a series of substantially equal periodic or annuity payments, pay <i>qualifying</i> higher education expenses, satisfy a QDRO or an IRS levy, or die).</p> <p>*Note: Consult with a qualified tax advisor <i>before</i> you withdraw, transfer or rollover 403(b) funds.</p>	<p>None, with the exception of possible federal penalties on amounts received in a direct transfer or rollover from another type of eligible retirement plan, as well as potential state tax penalties*.</p> <p>*Note: Consult with a qualified tax advisor <i>before</i> you withdraw, transfer or rollover 457(b) funds.</p>	
Plan Providers	<p>Plans and Investments provided by Fidelity, MetLife, TIAA, Valic, and Voya</p> <p>To schedule an appointment, see: https://hr.unm.edu/post/retirement-representatives-campus</p>	<p>Plans and Investments provided by Fidelity, MetLife, TIAA, Valic, and Voya</p> <p>To schedule an appointment, see: https://hr.unm.edu/post/retirement-representatives-campus</p>	

Questions? Call UNM Benefits at 505-277-MyHR (6947)