Hamilton

Human Resources

March 25, 2026

RE: RETIREMENT PLAN CONTRIBUTION REQUIRED CHANGE TO AGE BASED CATCH-UP CONTRIBUTIONS FOR CERTAIN EMPLOYEES WITH PRIOR YEAR W2 BOX 3 WAGES GREATER THAN $150,000

Dear Hamilton Employees,

Currently, Hamilton College provides for active employees who are age 50 or older to make age-based catch-up contributions. This is an important savings opportunity for employees to reach their retirement goals.

Change to Catch-up Contributions
Based on a new IRS rule starting January 1, 2026, you may be required to contribute age-based catch-up contributions as Roth after-tax if you earned more than $150,000 in FICA wages in the prior calendar year.

What this can mean for you
For the 2026 tax year, if you earned more than $150,000 in FICA wages in 2025, your age-based catch-up contributions, if any, must be made as designated Roth contributions. This means taxes will be taken out of the catch-up amount before it is contributed to the Plan. That contribution grows tax deferred, and any eligible withdrawal - once the account has been open for five years and you've met certain plan distribution requirements - will be tax-free, including earnings. If your FICA wages were $150,000 or less, you will have the option, but not the requirement, of designating catch-up contributions as Roth.

Here's what the new rule can mean to employees ages 50 and older:

Active employee in the plan	**Annual catch-up contribution limit**	**Prior Year FICA Wages greater than $150,000**	**Prior Year FICA Wages less than or equal to $150,000**
Age 50-59	$8,000	Roth Contribution	Roth and/or Pre-tax Contribution – Based on plan design
Age 60-63	$11,250	Roth Contribution	Roth and/or Pre-tax Contribution
Age 64 or older	$8,000	Roth Contribution	Roth and/or Pre-tax Contribution

1. Earned wages are calculated based on prior years wages from the employer sponsoring the retirement plan for which you are making active contributions.
2. Age-based catch-up contribution limits are indexed annually.

Contributions must be updated in Workday, and will be effective for the next available paycheck, unless a specific date in the future is selected. For those with wages greater than $150,000 in 2025, contributions made above the $24,500 IRS maximum will automatically be deemed as Roth directly in Workday.

Making decisions about your retirement accounts can be challenging. We encourage you to consult with your tax professional to understand what is appropriate for you. TIAA financial consultants are available to help as well. Visit **tiaa.org/schedulenow** to set up a one-on-one meeting with a TIAA financial consultant or a wealth advisor. You may also call TIAA at 800-842-2252, weekdays, 8 a.m. to 10 p.m. ET.

Sincerely,

Kimberly S. Hatzinger SPHR SHRM-SCP

Benefits Manger