

University of Louisville 403(b) ROTH Option Frequently Asked Questions (FAQ)

The University of Louisville offers a Roth 403(b) contribution option within the University of Louisville 403(b) Retirement Plan.

How does the Roth 403(b) work?

Roth 403(b) contributions are made with after-tax dollars. The Roth 403(b) option was designed to allow employees to pay the taxes on the contributions now and advantage of avoiding taxes on your money when you withdraw your funds upon retirement.

How do I enroll?

If you wish to enroll in the Roth 403(b) option, you will enter your election on our Plan Master Administrator portal www.Netbenefits.com.

Are the Roth contributions available for the university's match?

No. Roth 403(b) contributions are not matched by the university.

Can I split my deferral election, with some of the deferral being contributed as pre-tax elective deferrals and some of the deferral being contributed as an after-tax Roth 403(b) contribution?

Yes. The University of Louisville 403(b) Plan allows you to elect a combination of both pre-tax elective deferrals and after-tax Roth 403(b) contributions.

Are the annual IRS contribution limits affected by the Roth 403(b) contributions?

The combination of pre-tax elective deferrals and Roth 403(b) contributions cannot exceed the IRS annual limits. For 2020, the employee elective deferral limit is \$19,500 if you are under age 50 or \$26,000 if you are age 50 and over.

Will I have the same investment options as the pre-tax contributions?

Yes, the same investment options are available for Roth 403(b) contributions.

Is the Roth 403(b) participation limited by household income?

No. Unlike Roth IRAs, Roth 403(b) contributions are not subject to maximum income limits.

Once I have made my deferral election, can I re-designate some of my prior after-tax Roth 403(b) contributions as pre-tax elective deferrals?

No. Roth 403(b) contributions cannot be shifted to or commingled with pre-tax deferrals. For additional information, please feel free to contact our Investment Advisors Fidelity 1-800-343-0860 or www.netbenefits.com and TIAA 1-800-842-2252 or www.tiaa.org.