



Retirement Account Savings Options for Texas Schools: 2025

Feature	403b	Roth 403b	457	IRA	Roth IRA
Payroll Contributions	Yes	Yes	Yes	No	No
Max Contribution Limits (NEW for 2025)	\$23,500 under 50 \$31,000 age 50-59 and 64+ \$34,750 age 60-63	\$23,500 under 50 \$31,000 age 50-59 and 64+ \$34,750 age 60-63	\$23,500 under 50 \$31,000 age 50-59 and 64+ \$34,750 age 60-63	\$7,000 under 50 \$8,000 age 50+	\$7,000 under 50 \$8,000 age 50+
Income Limitations Tax	No	No	No	Yes	Yes
Deferred/Deductible Tax	Yes	No	Yes	Yes	No
Free Withdrawals	No	Maybe	No	No	Yes
Provider Choice	School-Authorized Providers Only	School-Authorized Providers Only	TexaSaver Only	Any	Any
Loans/Hardship	Yes	Yes	Yes	No	No
Early Withdrawal Penalty	Yes	Maybe	No	Yes	Maybe
Investment Options	Annuities / Mutual Funds / Brokerage*	Annuities / Mutual Funds / Brokerage*	Mutual Funds / Brokerage	Annuities / Mutual Funds / Leveraged Funds / Stocks / Bonds / ETF's / CD's	Annuities / Mutual Funds / Leveraged Funds / Stocks / Bonds / ETF's / CD's
Employer Match	No*	No*	No*	No	No
Required Distributions (RMD)	Maybe	Maybe	Yes	Yes	No

****Offered by select districts – For more information, refer to the IRS website: <https://www.irs.gov/retirement-plans>***

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