



# 403(b) Retirement Savings Plan

An opportunity to take advantage of **tax-deferred** income for your retirement

The tax advantages, plus plan features and benefits, make a 403(b) plan with Corebridge Financial an ideal way to help accumulate funds for your retirement. And Corebridge brings you the knowledge, investment options and personal services to help keep things simple.

## Pretax contributions

When you participate in a 403(b) plan, you contribute by convenient payroll reduction before federal income tax withholding is calculated. This helps reduce your currently taxable income so you can save dollars for retirement that otherwise would have gone to pay income taxes.

If you meet certain requirements, you might be able to make the regular maximum contribution, plus the 403(b) catch-up contribution and the age-based catch-up contribution during the plan year. If you are eligible for both catch-up contributions, you must exhaust the 15-year catch-up first. Your financial professional can help calculate your annual contribution limits.

### 2023 contribution limits

- 100% of annual includible income up to \$22,500
- \$7,500 as an age-based catch-up for those age 50 or older
- \$3,000 extra if you have 15 or more years of service with a qualifying employer and have undercontributed in prior years.



Scan with your mobile phone for up-to-date contribution limits.

## Tax-deferred accumulation

Current federal income taxes on all contributions, interest and earnings in your 403(b) plan are deferred until withdrawal, usually at retirement. Tax-deferred earnings, coupled with the power of compounding, may provide greater growth than might be possible with currently taxable savings methods. Remember that income taxes are payable when you withdraw money from your account. And since retirement accounts should be considered long-term investments, federal restrictions and a 10% federal early withdrawal tax penalty may apply to withdrawals prior to age 59½.

## Investment flexibility

We offer an array of investment options from well-known investment managers. This provides the flexibility you might need to design a program tailored to your individual needs. Retirement plans and accounts that satisfy relevant qualification rules, such as 403(b)s, IRAs, 401(k)s, etc., can be tax deferred regardless of whether or not they are funded with an annuity. If you are considering funding a tax-qualified retirement plan or account with an annuity, you should know that an annuity does not provide any additional tax-deferred treatment of earnings beyond the tax deferral of the tax-qualified retirement plan or account itself. However, annuities do provide other features and benefits. Keep in mind that investment values in the variable options will fluctuate so that your investments, when withdrawn, may be worth more or less

## 403(b) Retirement Savings Plan

than the original cost. Remember all investment involves risk, including possible loss of principal. Your financial professional can assist in choosing the options that will match your long-term goals.

### Tax-free loans

Tax-free loans, available under some employer plans, enable you to borrow against a portion of your accumulated account value, subject to certain limitations, without permanently reducing your account balance. Defaulted loan amounts (not repaid on time) will be taxed as ordinary income and may be subject to a 10% federal early withdrawal tax penalty if you are under age 59½.

### Access to your savings

Generally, depending on your employer's plan, your account contributions can be distributed in any of the following events:

- Age 59½
- Severance from employment
- Your death or disability
- Financial hardship (employee contributions only)

Again — a 10% federal early withdrawal tax penalty may apply to withdrawals prior to age 59½.

[corebridgefinancial.com/retirementservices](https://corebridgefinancial.com/retirementservices) 1.800.448.2542

## We're here to help you take **action**

You can reach out directly to your financial professional.

### Important considerations before deciding to move funds either into or out of a Corebridge retirement services account

There are many things to consider. For starters, you will want to carefully review and compare your existing account and the new account, including: fees and charges; guarantees and benefits; and, any limitations under either of the accounts. Also, you will want to know whether a surrender of your current account could result in charges. Your financial professional can help you review these and other important considerations.

**Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. Read the fund prospectuses carefully before investing. The fund prospectuses contain important information, which can be obtained from your financial professional, at [corebridgefinancial.com/retirementservices](https://corebridgefinancial.com/retirementservices) or by calling 1.800.428.2542 and following the prompts.**

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice consult the appropriate professional.

Annuities are issued by **The Variable Annuity Life Insurance Company**, Houston, TX. Variable annuities are distributed by AIG Capital Services, Inc., member FINRA.

Securities and investment advisory services offered through VALIC Financial Advisors, Inc., member FINRA, SIPC and an SEC-registered investment adviser.

VALIC Retirement Services Company provides retirement plan recordkeeping and related services and is the transfer agent for certain affiliated variable investment options.

All companies above are wholly owned subsidiaries of Corebridge Financial, Inc.

Corebridge Retirement Services, Corebridge Financial and Corebridge are marketing names used by these companies.



© Corebridge Financial, Inc. All rights reserved.

VC 16592 (04/2023) J1110305 EE

