



The Roth 457(b) Option Now Available in the Florida Deferred Compensation Plan

The State of Florida understands the importance of planning for retirement. The Florida Deferred Compensation Plan (the Plan) can play a vital role in helping you pursue your personal financial goals. The Bureau of Deferred Compensation, which oversees the Plan, is pleased to announce the addition of a Roth 457(b) contribution option to the Plan. **Beginning July 1, 2024**, the Plan will allow Roth 457(b) (after-tax) and pre-tax payroll contributions.

Roth 457(b) Contributions

The Florida Deferred Compensation Plan will now offer an optional Roth feature to help you save for your future. The Roth option offers a way to set aside after-tax money and make tax-free withdrawals of principal, interest, and earnings if certain conditions are met. And you can:

- Contribute on a pre-tax basis, Roth after-tax basis, or a combination up to 80% of your annual includible compensation up to the annual contribution limits set by the Internal Revenue Service (up to \$23,000 combined pretax and Roth contributions in 2024, plus \$7,500 more if you are age 50 or older.) For more information about annual contribution limits, visit corebridgefinancial.com/rs/contributionlimits.
- Take tax-free distributions after the end of the five-year period beginning with the first year for which a Roth 457(b) contribution was made to the Florida Deferred Compensation Plan and reaching age 59½, death or disability.
- Increase or decrease your contribution amounts at any time.

Is a Roth 457(b) account right for you?

In determining if a Roth 457(b) account is right for you, carefully assess the advantages and disadvantages. A Roth 457(b) account may appeal to those who:

- Cannot contribute to a Roth IRA due to income limits.
- Are young and in lower income tax brackets than they expect to be in retirement.
- Are financially stable, but expect tax rate increases.
- Want tax diversity and flexibility in retirement.

Comparison of Pretax vs. Roth 457(b) Contributions

	Pre-tax contributions	Roth 457(b) contributions	Roth IRA
Contribution taxable in year contributed	No	Yes	Yes
Contribution taxable in year distributed	Yes	No	No
Taxed at withdrawal	Contributions and earnings are taxable when withdrawn	Under current tax laws, earnings are excluded from gross income if the following conditions are met: Withdrawn after the end of the five-year period beginning with the first year in which a Roth contribution was made to the plan, and (1) after age 59½, or (2) disability or (3) your death	No, if distribution is made after age 59½, death or disability, and, for Roth IRA, for first home purchase (\$10,000 limit). All distributions must be after the end of the five-year period* beginning with the first year for which a Roth contribution was made to the plan.
Withdrawal restrictions	Not subject to the 10% federal early withdrawal tax penalty except on amounts rolled over from other non-457(b) eligible retirement plans	Earnings are not subject to the 10% federal early withdrawal tax penalty except on amounts rolled over from other non-457(b) eligible retirement plans	Earnings are subject to the 10% federal early withdrawal tax penalty if withdrawals taken prior to age 59 ½ and/or before the five-year holding period.
Eligible for rollover to non-Roth or traditional qualified plan, traditional IRA, 403(b), 401(k) or governmental 457(b) plans	Yes	No	No
Eligible for direct rollover to other Roth accounts or to Roth IRA	Yes	Yes; Roth account balances are portable to other retirement plans that offer a Roth after-tax account or a Roth IRA, if the receiving plan accepts such rollovers.	Yes, but only to Roth IRA
Contributions limited by IRC 457(e) salary deferral limits plus age 50 catch-up limit or special catch-up, where applicable	Yes (Roth 457b and pretax salary deferrals combined for this limit)		No (Regular IRA limit applies and is not affected by Roth 457(b) contributions)
Eligible for contribution subject to family adjusted gross income limits	No	No	Yes

**The Roth 457(b) account and a Roth IRA have separate and distinct five-year aging periods (or clocks).*

Try the online calculator

You can also use the [online calculator](#) to help determine which option or options may be most appropriate to help you save for retirement.

(<https://www.corebridgefinancial.com/rs/floridadcp/home/financial-education/education-center/tools-and-calculators/roth-vs-pretax-401k-or-403b-calculator>)

About Roth distributions and rollovers

Because Roth account contributions are treated as elective contributions, a distribution can be made at severance of employment, death or retirement. A distribution may be made for an unforeseeable emergency but only if permitted by the Plan. However, tax-free treatment is only provided to qualified distributions. A qualified distribution is one that is made after:

- The end of the five-year period beginning with the first year for which a Roth contribution was made to the Plan (known as the five-year aging rule or five-year clock) and you reach age 59 ½, or become disabled or die.
- Income taxes are payable on nonqualifying withdrawals from Roth account earnings. Federal restrictions may apply. As of January 1, 2024, the 457(b) Plan Roth contribution option is no longer subject to the Required Minimum Distribution rules.

Interested in contributing to the Plan on a Roth 457(b) and/or pretax, or making changes to your current contributions? There are several ways you can. Here's how:

Online Forms: These online forms can be found at myfloridadcp.com/deferredcomp.

- Complete an EZ Enrollment Form if enrolling or making your pretax and Roth 457(b) contribution elections for the first time.
- Complete an EZ Increase Contributions Form if increasing your pretax or Roth 457(b) contributions. Please note that if you are choosing to increase both pretax contributions and Roth 457(b) contributions, you will need to complete two separate EZ Increase Contribution Forms.

Online through Corebridge: Visit floridadcp.corebridgefinancial.com and login to your account to make your elections or changes. If visiting for the first time, register for online access and then login. If you are enrolling in the Plan for the first time, follow these steps:

- Visit floridadcp.corebridgefinancial.com and select **Enroll** and scroll down to locate your employment location.
- Then, select your employment location and pay frequency link to complete your online enrollment.
- After completing your enrollment, visit the website again to register for online access.
- Once enrolled and registered, you will have 24/7 access to check your account balance, make changes, and use our online financial educational tools and resources designed to help you get on track and stay there.

With a Corebridge financial professional: Contact one of the financial professionals listed in this document who can meet with you in person, by phone, Microsoft Teams or FaceTime.

By phone: Call our Enrollment Center at 1.888.467.3726 between 8:30 a.m. and 8:00 p.m. (ET).




Experienced financial professionals are here to help



Corebridge provides a broad range of individual financial planning services at no additional cost to you, which include helping to:

- Create a formal financial plan
- Estimate your retirement needs
- Determine your savings rate
- Plan for how long you want to work
- Diversify your assets¹
- Select investment funds
- Monitor and manage your portfolio

¹ Bear in mind that diversification does not ensure a profit or protect against market loss.

You can choose to meet with your Corebridge financial professional in person, by phone or online.

<p>Brad Easom District Office: 904.448.7200 Cell: 352.359.4434 Email: Bradley.Easom@corebridgefinancial.com</p> <p>Schedule an appointment</p> <p>Serving these North Central counties: Alachua, Baker, Bradford, Clay, Columbia, Dixie, Duval, Gilchrist, Hamilton, Lafayette, Levy, Marion, Nassau, Putnam, St. Johns, Sumter, Suwannee, Union</p>	<p>Scan the QR code with the camera on your phone to schedule an appointment.</p> 
<p>Brian Grudman District Office: 904.448.7200 Cell: 941.236.2837 Email: Brian.Grudman@corebridgefinancial.com</p> <p>Schedule an appointment</p> <p>Serving these Western Florida counties: Charlotte, Citrus, DeSoto, Hardee, Hernando, Highlands, Hillsborough, Manatee, Pasco, Pinellas, Polk, Sarasota</p>	<p>Scan the QR code with the camera on your phone to schedule an appointment.</p> 
<p>Andrew Jimenez District Office: 904.448.7200 Cell: 786.774.1645 Email: Andrew.Jimenez@corebridgefinancial.com</p> <p>Schedule an appointment</p> <p>Serving these South Florida counties: Broward, Collier, Glades, Hendry, Lee, Miami-Dade, Monroe, Palm Beach</p>	<p>Scan the QR code with the camera on your phone to schedule an appointment.</p> 

<p>Monique Kabitzke District Office: 904.448.7200 Cell: 850.631.0808 Email: Monique.Kabitzke@corebridgefinancial.com</p> <p>Schedule an appointment</p> <p>Serving these Northwest Florida counties: Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Madison, Okaloosa, Santa Rosa, Taylor, Wakulla, Walton, Washington</p>	<p>Scan the QR code with the camera on your phone to schedule an appointment.</p> 
<p>Daniel Nowak, CEPF® District Office: 904.448.7200 Cell: 407.750.0599 Email: Daniel.Nowak@corebridgefinancial.com</p> <p>Schedule an appointment</p> <p>Serving these East and Central Florida counties: Brevard, Flagler, Indian River, Lake, Martin, Okeechobee, Orange, Osceola, St. Lucie, Seminole, Volusia</p>	<p>Scan the QR code with the camera on your phone to schedule an appointment.</p> 

What to do now

While you do not need to take any action as a result of adding Roth to the Plan, there are few things you can do now to make the most of your Plan account:

- Enroll or register your account online – it’s quick and easy, and will give you access to a variety of helpful resources including:
 - Additional details about your Plan’s investment options
 - Interactive tools and calculators to help with savings, mortgage, debt and retirement
 - Smart technology designed to keep you on track
- Download the Corebridge mobile app to access your account anywhere
- Sign up for eDelivery to stay up-to-date on plan communications
- Review your account information, including your beneficiaries and investment strategy
- Meet with a financial professional

We are excited about this change to the Plan. Should you have questions or would like to schedule an in-person meeting to assist with enrollment or changes, please call your Corebridge financial professional.

floridadcp.corebridgefinancial.com 1.888.467.3726

We're here to help you take action

Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. Read the fund prospectuses carefully before investing. The fund prospectuses and, if available, the summary prospectus contain important information, which can be obtained from your financial professional, at floridadcp.corebridgefinancial.com or by calling 1.800.428.2542 and following the prompts.

Investing involves risk, including the possible loss of principal. Investment values will fluctuate and there is no assurance that the objective of any fund will be achieved. Mutual fund shares are redeemable at the then-current net asset value, which may be more or less than their original cost.

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.

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.

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