



DEEMED ROTH CATCH-UP ELECTION

20 - MINUTE PRESENTATION FOLLOWED BY Q&A



MARCH 25TH, 2026 12:00-1:00 PM

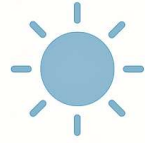


Deferred Compensation Plans and Options

401(k) Plan



401(k)
Pre-Tax



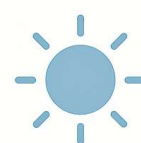
401(k)
Roth

- ✓ Contribution as a %
- ✓ County match

457 Plan



457
Pre-Tax



457
Roth

- ✓ Contribution as a \$
- ✓ No early withdrawal penalty

Maximum Annual Contribution Limits 2026

Maximum Annual Contributions			
2026	401(k)	457	Totals-Both Plans
Under age 50	\$24,500.00	\$24,500.00	\$49,000.00
Age 50-59 (Turning ages 50 to 59 in 2026)	\$32,500.00	\$32,500.00	\$65,000.00
Age 60-63 (Turning ages 60 to 63 in 2026)	\$35,750.00	\$35,750.00	\$71,500.00
Age 64+ (Turning ages 64 and older in 2026)	\$32,500.00	\$32,500.00	\$65,000.00
Section 457 Plan Special Catch-Up (You must have prior years of unused deferrals and meet certain age and service requirements)		Up to \$49,000.00	Up to \$49,000.00 plus applicable 401(k) limit

→ **\$8,000** Catch-up amount

→ **\$11,250** Catch-up amount

→ **\$8,000** Catch-up amount

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Effective 2026, if you are age 50+ and earned over \$150,000 in FICA wages in the previous year the IRS considers you a High Wage Earner (HWE). Your catch-up contributions must be made on an after-tax (Roth) basis.

\$8,000 Catch-up amount

\$11,250 Catch-up amount

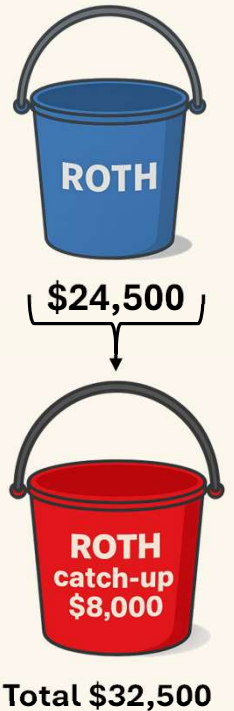
\$8,000 Catch-up amount

Age 50+ Catch-Up eligible

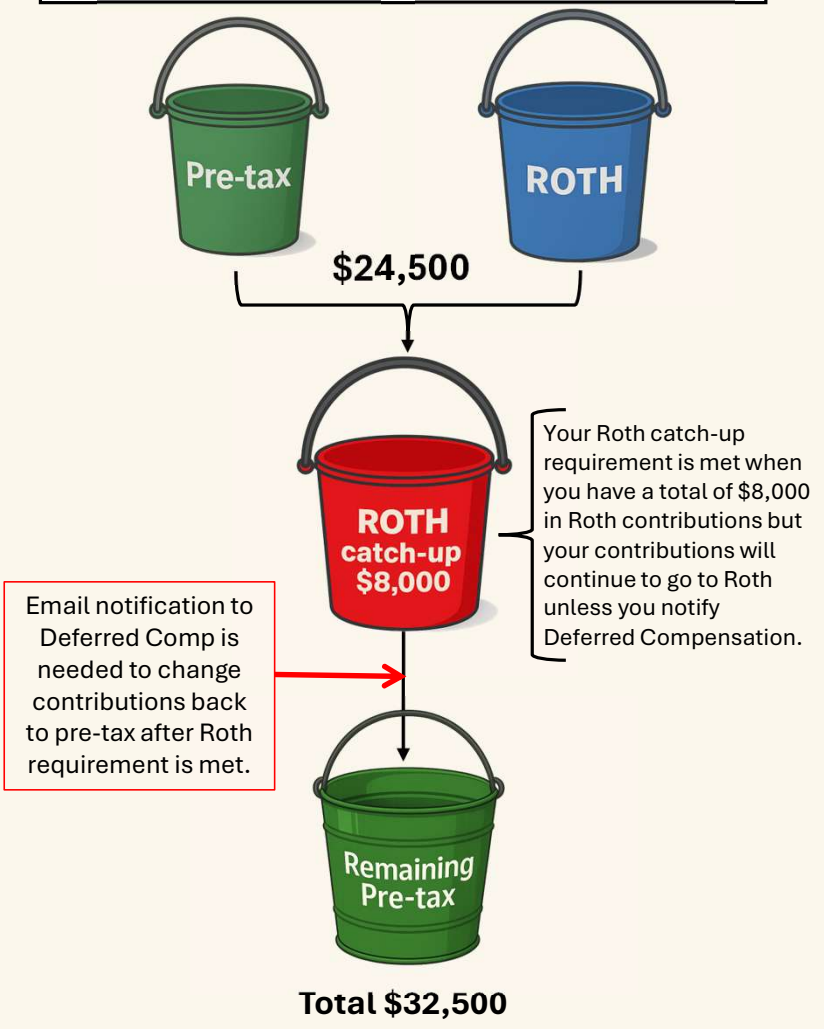
Pre-tax contributions only



Roth contributions only



Concurrent pre-tax & Roth contributions



Roth Catch-Up Requirement for HWE age 50+
~applicable to both the 401(k) and 457 plans

Pre-tax contributions only



\$24,500



Total \$35,750

Roth contributions only



\$24,500



Total \$35,750

Concurrent pre-tax & Roth contributions



\$24,500



Your Roth catch-up requirement is met when you have a total of \$11,250 in Roth contributions but your contributions will continue to go to Roth unless you notify Deferred Compensation.

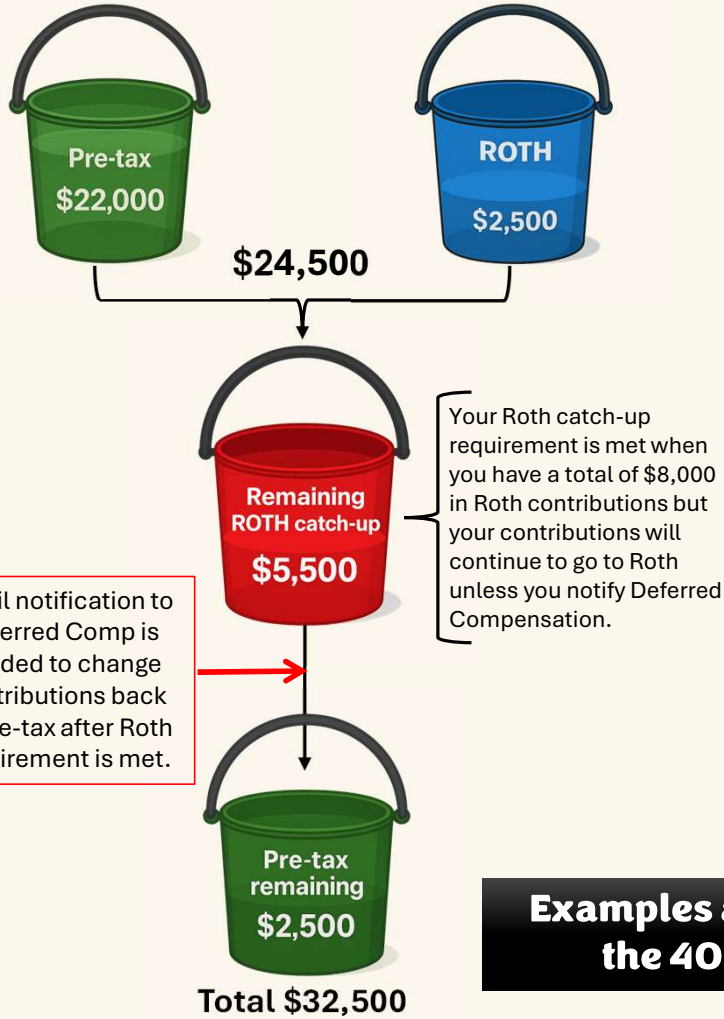
Email notification to Deferred Comp is needed to change contributions back to pre-tax after Roth requirement is met.



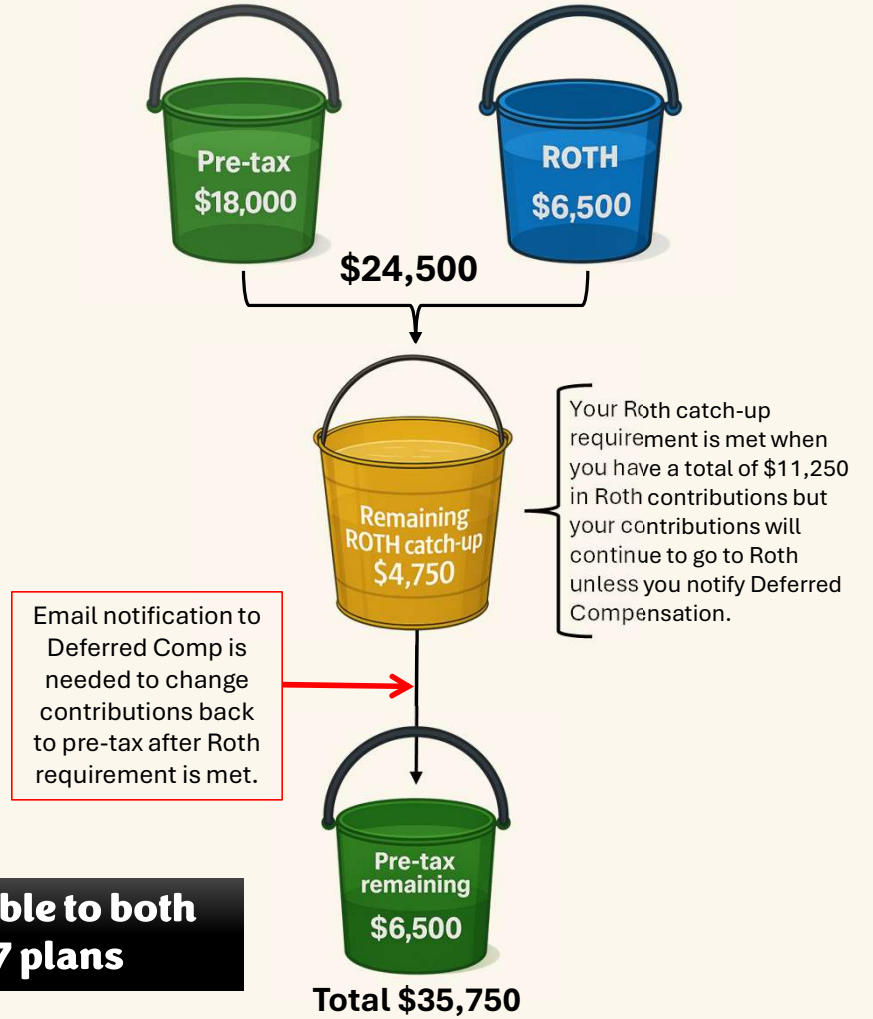
Total \$35,750

Roth Catch-Up Requirement for High Wage Earners with Higher Catch-Up Limit
~applicable to both the 401(k) and 457 plans

Specific example #1 - \$8k catch-up limit



Specific example #2 - Higher catch-up limit \$11,250

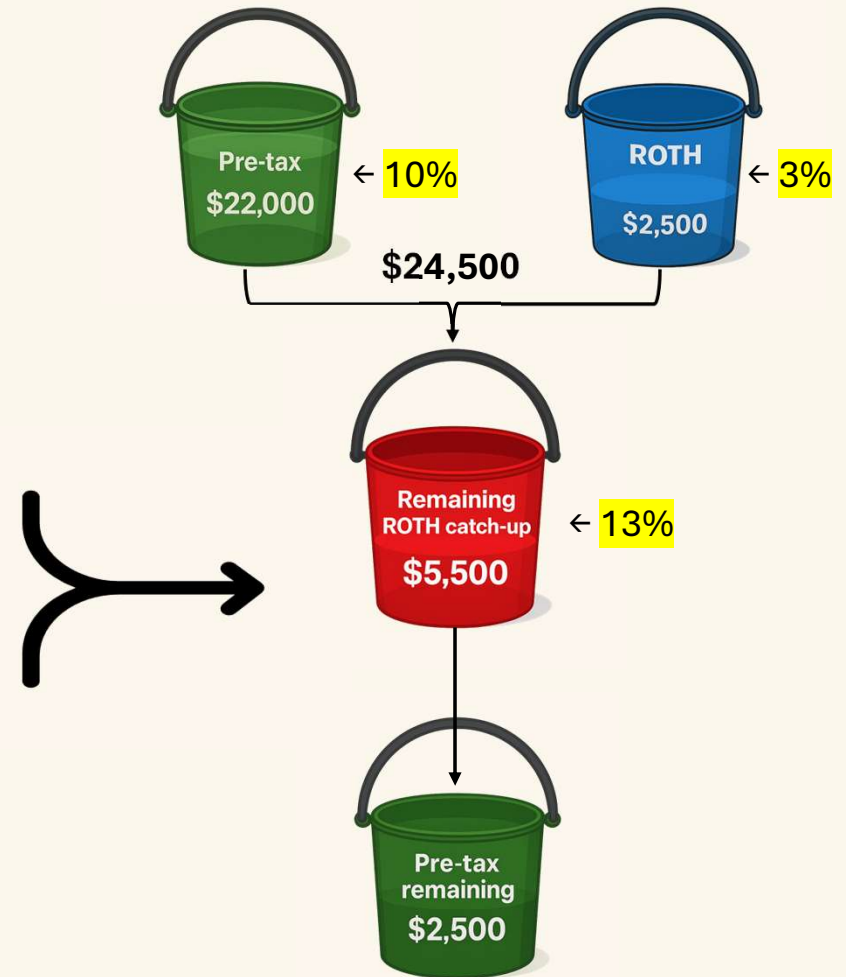


Examples are applicable to both the 401(k) and 457 plans

Special Considerations

- Management MOA or CJAAVC MOA - continue to receive the 401(k) County match after reaching the annual contribution limit, so long as the election rate stays the same.
- For concurrent contributions to both pre-tax and Roth, when the combined limit of \$24,500 is reached, your contribution will shift to Roth only using the total election %. This could impact your net pay.


Specific example #1 - \$8k catch-up limit



Roth Requirement Election Form

- Election form is due March 30, 2026
- Please include a selection for each savings plan
- Email to: Deferred.Compensation@venturacounty.gov

PARTICIPATE – will have access to the additional catch-up amount but contributions will be in Roth



DEEMED ROTH CATCH-UP ELECTION OPTION FORM – 2026
SECURE 2.0 ACT SECTION 603

Background
Under Section 603 of the SECURE 2.0 Act, employees age 50 or older with more than \$150,000 in prior-year FICA wages (Box 3 on your W-2) are classified as high-wage earners. High-wage earners must make their catch-up contributions as Roth (after-tax) contributions. Catch-up contributions are the additional amounts available to participants age 50 and older above the standard contribution limit.

****You have been identified as a high wage earner for Plan Year 2026.**

The Deferred Compensation Committee has approved the administration of this requirement as a 'deemed Roth' election. This method automatically treats any contributions over the standard limit (\$24,500) as Roth contributions unless the participant affirmatively opts out.

Please elect your preference for Plan Year 2026 by indicating an option below. Email your form to the Deferred Compensation office by **March 30, 2026**. If a Form is not received by the date indicated, the 'deemed Roth' election will be applied to your contributions. For questions or further detail about your options, call Deferred Compensation at 805-654-2620 or email: deferred.compensation@venturacounty.gov

Participant Information

• Name: _____ Date of Birth: ____/____/____
• Employee ID: _____ Agency: _____

Election Options

I hereby elect to **PARTICIPATE** in the plan's **deemed Roth catch-up election** method for 2026 for the following plans:
 401(k) 457

I understand and agree that:

- My prior-year (2025) FICA wages exceed \$150,000; therefore, I am subject to the Roth catch-up requirement, and any contributions over the standard limit **must be made as Roth**. By electing to **PARTICIPATE** in the deemed Roth election, **I will be able** to make catch-up contributions on a Roth basis.
- I understand that this election is applicable for this plan year only.

OR

I hereby elect to **OPT-OUT** of the plan's **deemed Roth catch-up election** method for 2026 for the following plans:
 401(k) 457

I understand and agree that:

- My prior-year (2025) FICA wages exceed \$150,000; therefore, I am subject to the Roth catch-up requirement, and any contributions over the standard limit must be made as Roth contributions. By electing to **OPT-OUT**, **I will be unable** to make **ANY** catch-up contributions.
- I understand that this election is applicable for this plan year only.

Participant Signature: _____ **Date:** _____

Plan Administrator/HR Use Only: Date Received: _____ System updated: _____

OPT-OUT – will not have access to the additional catch-up amount

Summary



Two savings plans available – 401(k) & 457

- Each plan has a pre-tax and after-tax option



Annual Contribution Limits, including catch-up amounts

- Eligible for catch-up in the year turning 50 and for higher catch-up amount in the years turning 60, 61, 62 and 63



Starting in 2026, catch-up contributions for high wage earners (HWE) must be made on an after-tax basis



The 'deemed Roth' approach for HWE catch-up automatically moves the contribution into Roth when the \$24,500 limit is reached

- Employees can opt-out of the automatic move to Roth but in doing so, will forfeit their ability to contribute the catch-up amount



Email notification to Deferred Compensation is needed to change contribution back to pre-tax once the Roth requirement is met