Yeshiva University
Office of Human Resources

Retirement Plan Catch-Up Rules

FAQ: New Secure 2.0 Rule on Catch-Up Contributions

What is changing?

Starting in 2026, if you earned more than $150,000 in wages from YU in the prior year, any catch-up contributions you make at age 50 or older must go into a Roth 403(b) after tax account

Who is affected?

- Employees age 50+ who make catch-up contributions AND
- Earned wages above $150,000 in the prior year.

What does this mean?

- You can still make catch-up contributions.
- If you are over the income limit, those contributions will automatically go into a Roth account.
- Roth means you pay taxes on the money now, but withdrawals in retirement are generally tax-free (if IRS rules are met).

When does this start?

- The rule takes effect January 1, 2026.

Who is not affected?

- Employees earning $150,000 or less can still choose whether their catch-up contributions go into traditional (pre-tax) or Roth accounts.
- Employees who do not make catch-up contributions will not be affected.

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