



The University of Texas System

UTSAVER

PLAN YOUR FUTURE.
2025



Your Future. Your Choice.

You may be familiar with the Teacher Retirement System (TRS) or the Optional Retirement Program (ORP) because participation in one of these programs is mandatory for benefits eligible employees. But did you know there are two other ways that you can save for retirement with UT?

MAXIMIZE YOUR SAVINGS

UT System offers both a UTSaver 403(b) Tax Sheltered Annuity Plan (TSA) and a 457(b) Deferred Compensation Plan (DCP) that allow you to save as little as \$15 a month or much as \$23,500 a year in each plan. If you are over 50, you can save as much as \$31,000 in each plan! This money is deducted straight from your paycheck so you never miss it.

With both our UTSaver plans, you can also determine whether you want to pay taxes on the deductions now (Roth) for tax free distributions later, or to save now (Traditional) to let your savings grow in a tax-sheltered environment.



WHY START NOW?

With the power of compounding, you can make time work for you! Assuming a 6% average return, contributing as little \$50 per month could add up to over \$8,000 in ten years. Over 30 years, that could add up to over \$50,000. If you increased your contributions by just a few dollars more each year, in 30 years you could see your savings swell to over \$100,000!

UTSaver Retirement Plans

Plan Comparison: TSA vs. DCP

	UTSaver TSA		UTSaver DCP	
	TRADITIONAL 403(b)	ROTH 403(b)	TRADITIONAL 457(b)	ROTH 457(b)*
ELIGIBILITY	All Employees	All Employees	All Employees	All Employees
EMPLOYEE CONTRIBUTION	Pre-tax dollars	After-tax dollars	Pre-tax dollars	After-tax dollars
EMPLOYER CONTRIBUTION	None	None	None	None
EMPLOYEE WITHDRAWALS	Taxable when withdrawn	Tax free when withdrawn as a "qualified" distribution	Taxable when withdrawn	Tax free when withdrawn as a "qualified" distribution
GENERAL CONTRIBUTION LIMITS*	\$23,500 IRS maximum (2025) for both traditional and Roth sources. (Each dollar of a Roth contribution reduces the amount that can be contributed pretax, and vice versa.)		\$23,500 IRS maximum (2025) for both traditional and Roth sources. (Each dollar of a Roth contribution reduces the amount that can be contributed pretax, and vice versa.)	
OVER AGE 50 CATCH-UP CONTRIBUTION	\$7,500 (either Roth or Traditional)		\$7,500 (either Roth or Traditional)	
15-YEAR CATCH-UP CONTRIBUTION	Up to \$3,000 per year (\$15,000 lifetime max)	Up to \$3,000 per year (\$15,000 lifetime max)	N/A	
THREE YEARS PRIOR TO RETIREMENT CATCH-UP (SPECIAL CATCH-UP)**	N/A	N/A	Up to \$23,500 (may not be used simultaneously with age 50 catch-up)	
DISTRIBUTIONS UPON SEPARATION OF EMPLOYMENT	Distributions made prior to age 59 ½ will be subject to ordinary income tax and a possible 10% penalty	"Nonqualified" distributions made prior to age 59 ½ will be subject to ordinary income tax and possibly a 10% penalty	Distributions will be subject to ordinary income tax	"Nonqualified" distributions will be subject to ordinary income tax for any earnings on the account.

* 457(b) Roth available as of Spring 2022.

** Contribution limits shown are IRS maximums for 2025. The 2024 limits were \$23,000 with \$7,500 age 50 catch ups.

*** A "qualified" distribution occurs when the Roth account (TSA or DCP) has been in place for five taxable years (from the year of first contribution) and one of the following events has occurred: (1) attainment of age 59 1/2; (2) disability; or (3) death.

Contribution limits may vary based on income, years of service, previous deferrals, and other factors. Contact your Benefits Office for a calculation of your personal contribution limit for each voluntary program.

Retirement Plans Approved Providers

The UTSaver Retirement Program works with our five providers to offer the very best investment products at the lowest available cost.

**NO ANNUAL
FEES**

**NO SALES
FEES**

**NO EARLY
TERMINATION,
TRANSFER FEES,
OR PENALTIES**



UT Retirement

utbenefits.link/UTRetirement