

## **Roth 403(b) Retirement Plan Option**

Boston College offers a “Roth 403(b)” option for contributions to the Voluntary 403(b) Retirement Plan, using both TIAA and FIDELITY. Roth contributions differ from traditional “pre-tax” 403(b) contributions in that Roth contributions are “after-tax,” which means you don’t get a tax savings on your contributions currently. However, the advantage of Roth contributions is that when you are eligible to take distributions from your Roth account (presumably when you are retired), nothing is taxable, including all of the accumulated earnings on the Roth contributions, as long as you’ve had the account for at least five years.

Whether Roth contributions are advantageous to you will depend on your particular situation and your expectations. For example, if you expect that you will be in a higher tax bracket in retirement than you are now, you will likely benefit from making Roth contributions now and paying taxes on those amounts at the lower current rate. If you do not expect to be in a higher tax bracket in the future, than you might prefer to make your contributions on a pre-tax basis. Regardless of the tax bracket, however, with the Roth account you never pay taxes on the dividend earnings, which can be significant over a long period.

Please note that the Roth option applies only to the 403(b) plan and not to the 401(k) plan.

You have the option to designate all or a portion of your future 403(b) contributions, with Fidelity and/or TIAA, as Roth contributions. The annual limits on contributions are the same, regardless of whether the contributions are on a pre-tax or a post-tax basis: a maximum of \$23,500 for 2025, or \$31,000 for someone age 50 and over, plus another \$3,750 for employees age 60-63. (The limits include the required 2% employee 401(k) Plan contribution.)

If you would like to discuss the Roth features you can call Fidelity (800-343-0860) or TIAA (800-842-2776) or make an appointment with one of their B.C. counselors at [getguidance.fidelity.com](https://getguidance.fidelity.com) or [tiaa.org/schedulenow](https://tiaa.org/schedulenow).

If you are now making 403(b) contributions and you decide that you want to use the Roth option for some or all of those contributions, and you want to continue using the same vendor (TIAA or Fidelity), you need only to complete a new [“Salary Reduction Agreement”](#) which can be printed by clicking on the link or can be obtained from the Benefits Office. You may select the Roth 403(b) option as of the start of any month, provided the form is received in the Benefits Office by then. In the future, you may discontinue the Roth option and revert to pre-tax contributions at any time.

If you wish to take advantage of the Roth option and you do not yet have a 403(b) account with Boston College, or if you want to start using a new vendor (TIAA or Fidelity), go to [bc.edu/benefits](https://bc.edu/benefits), click on Retirement Program and the Enrollment Forms link. Send the completed enrollment form, along with a Salary Reduction Agreement to the Benefits Office, 129 Lake Street, Room 140, by the first of the month you want contributions to begin.