



A great benefit for public safety employees

As a public safety employee, you are exempt from the additional 10% early withdrawal tax from your Savings Plus 401(k) account.

Thanks to the Defending Public Safety Employees' Retirement Act, public safety employees age 50 or older who retire or separate from service are not subject to the additional 10% early withdrawal tax on their 401(k) plan account.

This tax reprieve applies to distributions from qualified defined contribution plans when a participant separates from service while still working as a public safety employee. It does not apply to IRA money rolled into a government plan.

Public safety employees can include:

- Safety Patrol Members
- Peace Officer Members
- Firefighter Members
- Safety Members

The chart on the right summarizes annual contribution limits to 401(k) and 457(b) plans.

Important tips for public safety employees:

- As long as you are age 50 or older and separated from service, there is no early withdrawal tax for assets taken from the 401(k); an additional 10% early withdrawal tax does not apply to the 457(b) plan
- If you contribute the maximum to your 457(b) account, you can contribute up to an additional \$23,000, or \$30,500 if you are age 50 or older, into a 401(k) account
- Unused leave time that has been cashed out (Lump Sum Separation Pay) is taxable. Another option is to contribute all or a portion of your Lump Sum Separation Pay into a 401(k) and/or a 457(b) account and let it grow until you need to take a distribution

Plan type	2024		
	Regular contribution maximum	Age-based 50+ contribution	Total contribution allowed
401(k)	\$23,000	\$7,500	\$30,500
457(b)	\$23,000	\$7,500	\$30,500
TOTAL	\$46,000	\$15,000	\$61,000¹



Act today

- Contact your department's Human Resources office to confirm that you are in a public safety classification
- When submitting a Benefit Payment Application from the Benefit Payment Booklet (BPB), ensure that you complete Section 9 to certify you are a public safety employee. The BPB is located in the **Forms, Publications, Governing Documents & Reports/ Additional documents and forms section** of **savingsplusnow.com**

Contact the Savings Plus Solutions Center at (855) 616-4776 between 5 a.m. and 8 p.m. PT weekdays to learn more.



¹ The total 457(b) limit may be higher if Traditional Catch-Up is utilized. Note: Contributions to PST and 457(b) in the same year are subject to the same limit. Participants with both 403(b) and 401(k) contributions must not exceed \$23,000 (or \$30,500 if using Age-Based Catch-Up). Source: [IRS.gov](https://www.irs.gov)