The “Super Catch-Up” contribution: An opportunity you don’t want to miss

If you’re in your early 60s, retirement may be approaching fast. You’re not alone if you feel compelled to save more during this critical period.

The SECURE 2.0 Act, which was signed into law in late 2022, introduced several new retirement plan provisions. One of these included the “Super Catch-Up” contribution. If you’re eligible, this may be the opportunity to boost your retirement savings and add thousands to your nest egg.

Here’s what you need to know.

New rules make saving easier

If there is one advantage to getting older, it’s the ability to save more to your qualified retirement plans. The annual contribution limit for employees who take part in 401(k) 403(b), governmental 457(b) plans and the federal government’s Thrift Savings Plan increased to $23,500 in 2025, up a whopping $500 from the previous year. Except for non-governmental 457(b) plans, the IRS allows those age 50 or older to make catch up contributions as well. Starting in 2025, workers that turn 60, 61, 62 or 63 by calendar year end can make super catch-up contributions of $11,250. For everyone else over age 50, it’s $7,500.

Clarifying the nuances regarding the new “super catch-up” contributions for 2025

What plans are being affected?

- Governmental 457(b), 401(k) and 403(b) and SIMPLE plans.
- Not all plans offer catch-up contributions. Check with your plan administrator to see if yours does.
- IRAs are not eligible.

Does this apply to Individual 401(k) plans?

- Yes, the super catch-up contribution is available for solo plans, but not all solo plans offer it, so check the details.

If I am 59 and turn 60 during 2025, can I take advantage of this?

- Yes, anyone that turns 60 to age 63 in 2025 is eligible.

Does the company match impact the super catch-up limit?

- No. Employer contributions, including company match and profit-sharing contributions are considered separate.

Does this apply to non-governmental 457(b) plans?

- No, only governmental 457(b) plans, which are generally offered by certain state and local governments, and tax-exempt organizations.

What happens if I turn 64 during the calendar year?

- You will revert to the age 50 catch-up contribution limit in effect for that year ($7,500 for 2025, assuming your plan offers catch-up contributions).

If I’m eligible, can I add $7,500 for the over age 50 catch up plus the $11,250 super catch up?

- No, you don’t get to do both.

Can I take advantage if I add to my Roth 401(k)?

- Yes, you can. Whether you should or not, is another topic.

What are the annual contribution limits in 2025?

- See below. Important note: the limits are different for the less-common SIMPLE plans.

Defined contribution plans (excluding simple plans)

Age	**2025 annual participant deferral limit** (assuming no change from 2024)
49 and under	$23,000
50 to 59	$30,500 ($23,000, plus $7,500 catch-up)
60 to 63	$34,250 ($23,000, plus $11,250 catch-up)
64 and older	$30,500 ($23,000, plus $7,500 catch-up)

simple plans

Age	**2025 annual participant deferral limit** (assuming no change from 2024)
49 and under	$16,000
50 to 59	$19,500 ($16,000, plus $3,500 catch-up)
60 to 63	$21,250 ($16,000, plus $5,250 catch-up)
64 and older	$19,500 ($16,000, plus $3,500 catch-up)

Is there anything I need to do?

Yes, you may need to increase your contributions to hit the maximum. Check to make sure.

Since this opportunity only lasts up to four years (until you reach age 64), we recommend you talk to your Mesirow Wealth Advisor to see how you can take advantage of super-catch up contributions as soon as you can.

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