



The MERS 457 Program is a deferred compensation program for public sector employees, helping you save for the future above and beyond other retirement plans from your employer. The program offers you an invested account you manage, in which a portion of your salary is contributed and invested for use after you leave employment. You choose to participate, the amount to contribute, and how to invest assets to meet your goals and personal risk tolerance. When you leave employment, your benefit is based on the total amount of money in your account.

Contribution Types

Employee Pre-Tax Contributions:

- May be a set dollar amount or percentage of pay
- Contribution is deducted prior to calculating taxes, thereby reducing the amount of taxes paid (contributions are subject to Social Security and Medicare taxes)
- No taxes are due until the money is withdrawn
- Can increase, decrease, start or stop contributions at any time, without any fees or penalties

Employee Roth Contributions:

- A tax advantaged option
- May be a set dollar amount or percentage of pay
- The contribution is after-tax and will not reduce the employee's income taxes for the year (unlike pre-tax contributions)
- Roth contributions and associated earnings can be withdrawn tax-free if the IRS requirements for a qualified distribution are met

Employee "Catch-Up" Contributions:

- "Age 50" Catch-Up Contributions - Eligible participants age 50 or older can also contribute an additional amount (per IRS contribution limit) - but not in addition to special catch-up contributions.
- Special Catch-Up Contributions - Eligible participants who are within three years of retirement age can contribute an additional amount for years that they didn't contribute the maximum. The maximum catch-up contribution is the lesser of the normal contribution limit + previously unused deferrals OR two times the normal contribution limit.



Employer Contributions:

- Employer may contribute either a matching or non-matching contribution
- May be a set dollar amount or percentage of pay
- Contributions are pre-tax; however, they are subject to Social Security and Medicare tax



Rollovers Can Add Convenience and Dollars to Your Saving Efforts

Consolidate Your Accounts

You may be able to roll over your money from qualified plans to gain benefits like:

- **Convenience** – Easier to track your investments and manage your account
- **Account Growth** – Our low-cost investments keep more of your money invested for retirement
- **Investment Options** – Access to select investment funds not available to the public
- **Tax Deferred** – Keeping your money invested means it will grow tax-deferred until you withdraw it
- **Access** – Funds rolled to your MERS account remain available according to the terms of your original plan

To roll in an outside account:

- Contact your current provider to see if any paperwork is required to roll funds out of your account into MERS. If required, submit those forms to your provider.
- Complete and submit the appropriate MERS forms to roll funds into your MERS account.



Scan or click for
rollover details

MERS IRA

Interested in supplementing your retirement savings? The MERS IRA is a great way to build retirement security through tax-advantaged saving, with flexible withdrawals that can help you reach your other financial goals at the same time.



Scan or click for
IRA details

