

Grow Your Retirement

As you prepare your students for their future, have you thought about yours? Make sure you are taking advantage of everything you could be contributing.

Within a 403(b) Plan

\$19,500	2020 contribution limit
+ \$6,500	Age 50 and older catch-up contribution – If you are age 50 or older, you can save this additional amount per year
+ \$3,000	The “15-Year” Rule – If you have been with your district at least 15 years (doesn’t have to be continuous) and have contributed less than an average of \$5,000 in previous years, you are eligible to make this catch-up contribution (up to a \$15,000 lifetime maximum)
\$29,000	Potential Maximum Contribution

Within a 457(b) Plan

\$19,500	2020 contribution limit
+ \$6,500	Age 50 and older catch-up contribution – If you are age 50 or older, you can save this additional amount per year (cannot be used with the Final Three-Year provision)
OR	
+ \$19,500	The “Final Three-Year” Provision If you are within three years of normal retirement age as defined by the plan document and have not previously maximized your contributions, you may be eligible to contribute up to 200% of the elective deferral limit during those three years (cannot be used with the age 50 and older catch-up contribution)
\$39,000	Potential Maximum Contribution

You can’t leave your future to chance. As an educator, you have powerful savings tools available to help you prepare for the life you dream of while in retirement. Using the current limits for 2020, if you were age 50 or older, within three years of your plan’s defined retirement age and taking advantage of both a 403(b) and 457 plan, you could save up to \$68,000!

Keep in mind:

- > The 403(b) plan limits are reduced by your salary reduction contributions to a 401(k) plan, SIMPLE IRA or SAR-SEP IRA. Talk to your Great American company representative or a financial advisor about your particular situation.
- > Not all districts offer a 457(b) Governmental plan, but more districts are exploring this option. If you are contributing the maximum contribution to your 403(b) plan, talk with those who make retirement plan decisions and point out the advantages of contributing to both plans.
- > Rollover contributions are not subject to annual limits.
- > Contribution limits listed reflect 2020 limits. Limits may increase for inflation in subsequent years.

We know that \$68,000 is a large sum to contribute for retirement. But, if you’re in a two-income household, you might be able to put more of your salary away. Or, if you receive an inheritance, you may be able to save on taxes by deferring more of your salary. Just remember that the limits are fairly generous, so contribute what you can! Preparing for your future today can help you enjoy a more comfortable retirement tomorrow.





Uncomplicate Retirement®

When considering a variable annuity, you should consider the contract's and underlying portfolios' investment objectives, risks, charges and expenses carefully before investing. Call 800-789-6771 or visit GAIG.com to obtain a free prospectus containing this and other information to read carefully before investing.

Withdrawals are subject to income tax, and if made prior to age 59½, may be subject to a 10% federal tax penalty. Other restrictions may apply under tax law and/or the provisions of an employer plan.

Annuities issued by Annuity Investors Life Insurance Company®, Cincinnati, OH. Tax deferral in a qualified plan is provided by the plan and an annuity offers no additional tax deferral.

Variable annuities are long-term investment vehicles. Investments in variable portfolios are subject to market risks so upon withdrawal, the value may be more or less than the amount of the original purchase payments.

Principal Underwriter/Distributor: Great American Advisors®, Inc., member FINRA and of Great American Insurance Group, 301 E Fourth Street, Cincinnati, Ohio 45202.

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Annuities issued by Annuity Investors Life Insurance Company®

Not FDIC or NCUSIF Insured	No Bank or Credit Union Guarantee	May Lose Value	Not Insured by any Federal Government Agency	Not a Deposit
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