MERRILL
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Can you contribute more to your 401(k)?

2025 limits for 401(k) contributions

Are you contributing as much as you can to your 401(k) plan account? Why not consider increasing the amount? Even a small increase could potentially add up over time.

Contribution limits for 2025

The contribution limit for regular pre-tax contributions is $23,500 in 2025 (an increase from $23,000 in 2024).[1] Please keep this annual tax law limit in mind when you choose your contribution rate. Your contributions are also subject to your plan's contribution limit, if any.

Total contributions to your 401(k) plan account, including pre-tax, after-tax and Roth 401(k) (if available in your plan) contributions, and any employer contributions, cannot exceed $70,000 in 2025 (an increase from $69,000 for 2024). Please see the reverse side for how contributions are taxed.

Age 50 or older? Time to catch up!

Catch-up contributions allow you to contribute more money as you get closer to retirement. **The 2025 catch-up contribution limit is $7,500** (unchanged from $7,500 for 2024).[2] You may qualify to make a catch-up contribution if you are age 50 or older during the calendar year and your employer-sponsored 401(k) plan permits catch-up contributions. Under the SECURE 2.0 Act, a higher catch-up contribution limit applies to employees who attain age 60, 61, 62 or 63 in 2025 (if your plan allows). This limit is the greater of $10,000 or 150% of the current regular catch-up amount. For 2025, this limit is $11,250 (150% x $7,500).

Please see reverse for important tax information.

Benefits OnLine® **benefits.ml.com**

Easy access to your retirement plan account is available online and through the Benefits OnLine app.[3]

[1] *If your employer-sponsored plan offers Roth 401(k) contributions, this limit applies to the combined total of any traditional pre-tax 401(k) contributions and Roth 401(k) contributions.*

[2] *If your employer-sponsored plan offers Roth 401(k) contributions, catch-up contribution provisions also apply to Roth 401(k) contributions.*

[3] *The app is designed to work with most mobile devices in most countries. Carrier fees may apply.*

How contributions are taxed

Taxes on pre-tax contributions, and any earnings on those contributions, are due upon withdrawal. You may also be subject to a 10% additional federal tax if you take a withdrawal before age 59½, unless an exception applies.

Taxes on any employer contributions, and any earnings on those contributions, are also due upon withdrawal. You may also be subject to a 10% additional federal tax if you take a withdrawal before age 59½, unless an exception applies.

Any earnings on Roth 401(k) contributions (which are made on an after-tax basis) can generally be withdrawn federal income tax free if you meet the two requirements for a "qualified distribution": 1) At least five years must have elapsed from the first day of the year of your initial Roth 401(k) contribution or conversion, if earlier, and 2) You must have reached age 59½ or become disabled or deceased. If you take a non-qualified withdrawal of your Roth 401(k) contributions, any Roth 401(k) investment returns are subject to regular income taxes, plus a possible 10% additional federal tax if withdrawn before age 59½, unless an exception applies. State income tax laws vary. Consult a tax professional to determine how your state treats Roth 401(k) distributions.

With after-tax contributions, taxes on any earnings from those contributions are due upon withdrawal. You may also be subject to a 10% additional federal tax if you withdraw such earnings before age 59½, unless an exception applies.

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