

Memo

Date: June 9, 2026

To: Agency Payroll, Human Resources, and Accounting Staff

From: Katie Karow, Director, Statewide Payroll Services

RE: Reminder of Changes to Optional Savings Plans Catch-Up Contributions in 2026

Minnesota State Retirement System (MSRS) recently distributed a communication to affected plan participants regarding a law change beginning January 1, 2026. Participants in the Minnesota Deferred Compensation Plan (MNDCP) 457(b) and/or the Minnesota State TSA Plan 403(b) may be subject to additional requirements for age-based catch-up contributions based on prior-year income.

Agencies may receive employee questions related to this change; however, there are **no action items** required of agency payroll or HR staff at this time.

This change only impacts employees who:

- Had prior calendar year FICA wages (Box 3 of Form W-2) were greater than \$150,000 from the employer sponsoring the MNDCP.
- Participate in the MNDCP and/or Minnesota State TSA plan(s) **and** are eligible for age-based catch-up contributions.

When an affected plan participant reaches the 2026 maximum limit of \$24,500, Statewide Payroll Services will automatically process eligible age-based catch-up contributions as Roth after-tax contributions.

Questions?

Plans 457(b) and 403(b):

- For Plan 457(b) – Deferred Compensation Plan questions, contact:
 - MSRS Service Center at 1-800-657-5757, option 3, Monday - Friday 8:00 a.m. to 4:30 p.m.
- For Plan 403(b) – Tax Sheltered Annuity questions, contact:
 - TIAA - Minnesota State's Retirement Center at 1-800-682-8969, Monday - Friday, 7:00 a.m. to 9:00 p.m. and ask to speak to a Minnesota State's Retirement Center Representative.
 - Minnesota State Benefits Helpdesk at employee.benefits@minnstate.edu.

Other: If you have other questions about this information, contact your Human Resources or Payroll office. You can obtain contact information from within Self Service: under **Need Assistance?**, select **Employee Contacts**.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF