

Participant Insight



PUBLICATION OF EQUITABLE FINANCIAL'S Retirement Plan Consulting Group

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Recharge your retirement plan contributions

Every year, the Internal Revenue Service announces the contribution limits for retirement plans, including 401(k) plans. As you review your finances, it is important to consider your retirement plan contributions, too.

Contribution limits

In 2022, the total amount you may contribute to your retirement plan in salary deferral (401(k) contributions) is the lesser of 100% of compensation or \$20,500. If you are age 50 or older, you may be able to make an additional catch-up contribution of up to \$6,500. Check with your employer for specific plan limitations. All limits are subject to change in future years.

In this issue

- 1 Recharge your retirement plan contributions
- 3 Big Increases in IRS Limits for 2022
- 4 Web feature spotlight

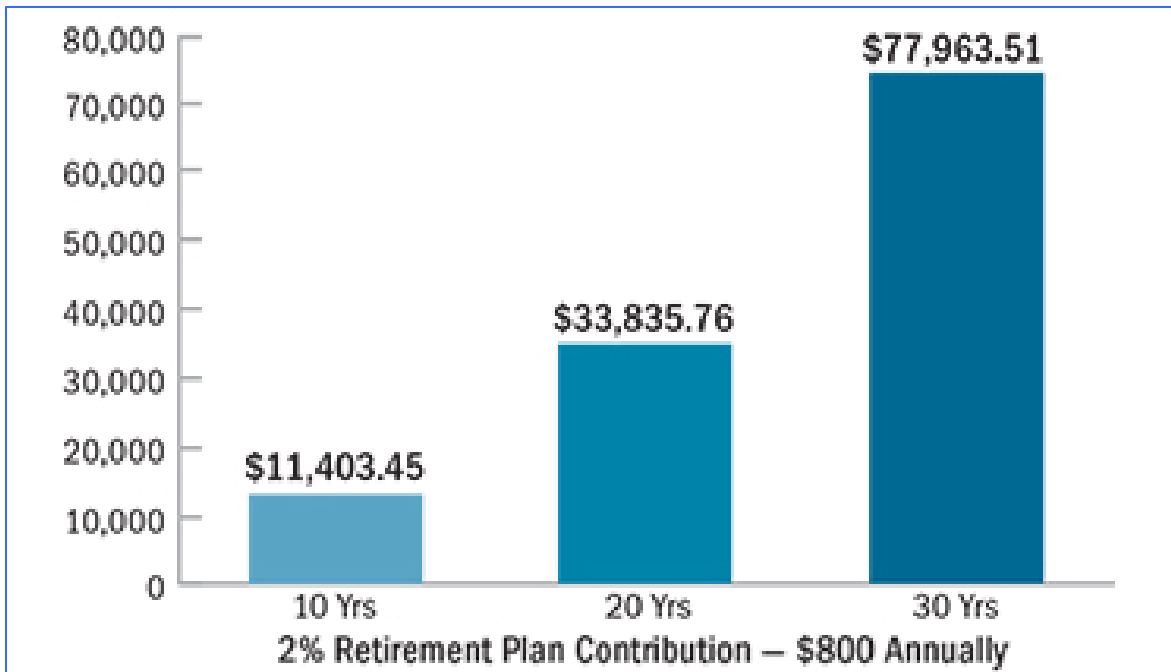
Providing participants with educational materials to assist them in planning, saving and investing to help them meet their retirement goals.

Consider increasing your contribution by 2%

If suitable in your particular circumstance, increasing your current contribution can make a big difference in the ability to potentially grow your account over the long term. And, because your contributions benefit from tax-deferred compounding potential, they have the opportunity to grow faster than they would in an account that taxes earnings every year. The example on the next page shows how a 2% increase can potentially turn into substantial retirement savings over 10, 20, and 30 years.

How 2% can turn into additional retirement savings

Here's a hypothetical example of how an extra 2% contribution each year can grow over time. Remember, every dollar you contribute to the plan benefits from tax-deferred compounding. In addition, if you have an existing account balance, contribute more than 2%, or your plan has a company matching contribution, your results could be greater.



Assumptions: 2% annual pre-tax retirement plan contribution made for time periods indicated. Salary used for example is \$40,000 and assumed growth rate is 7% annually. Please keep in mind that rates of return will vary over time, particularly for long-term investments. Investments offering the potential for higher rates of return also involve a higher degree of risk. This example does not take into account the effect of investment management fees, product-related fees, or taxes. Source: mycalculators.com, 401(k) Calculator.

Take action

Your retirement plan offers the flexibility to change your contributions. (Check with your employer for specific rules.)

IRS Limits for 2022

The Internal Revenue Service (IRS) recently announced the new compensation and contribution limits for 2022. They include significant increased in maximum 401(k) and overall contributions.

- The 401(k) contribution limit increased from \$19,500 to \$20,500.
- The maximum plan contribution limit increased from \$58,000 to \$61,000.
- The maximum compensation to be used in calculating contributions increased from \$290,000 to \$305,000.
- The catch-up contribution (for participants age 50 and over) limit remained \$6,500.
- The SIMPLE 401(k) contribution limit increased from \$13,500 to \$14,000.
- The SIMPLE 401(k) catch-up limit (for participants age 50 and over) remained \$3,000.
- The Social Security Wage Base for 2022 increased from \$142,800 to \$147,000.
- The deductibility phaseout for IRA contributions for those with a retirement plan at work increased from \$66,000-\$76,000 in 2021 to \$68,000-\$78,000 in 2022 for singles, and it'll move from \$105,000-\$125,000 in 2021 to \$109,000-\$129,000 in 2022 for those filing married filing jointly.

The full list of the 2022 IRS limits is available on the program website.

Account Login

Login ID:

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Contribution Limits for 2022

IN THIS ISSUE	
Annual Compensation Limit	\$305,000
Annual Contribution Limit	\$61,000
401(k) Elective Deferrals	\$20,500
401(k) Catch-up	\$6,500
Social Security Taxable Wage Base	\$147,000



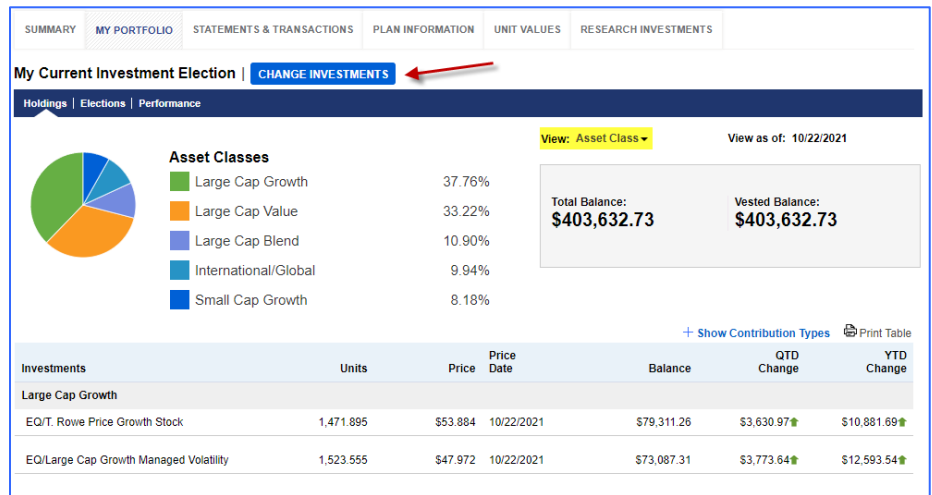
Web feature spotlight

My Portfolio

One of the features on the participant website which you may find helpful in monitoring your retirement account and adjusting your savings strategy, if necessary, is the My Portfolio tab.

On this tab you can find a breakdown of your account by asset class, investment option and contribution type with color-coded pie charts for easy monitoring. In addition, you can check out the numbers of units you have in each of your investments, current price and QTD and YTD changes.

You can also view your how your contributions are allocated and make any changes you want (transfers between accounts, future contribution allocations changes or rebalancing your account) by clicking on the Change Investments button.



The 'Change My Investments' dialog box is shown with three main options: 'Transfer', 'Rebalancing', and 'Future Investment Elections'. Each option includes a brief description and a visual diagram illustrating the process.

- Transfer:** The process of redeeming shares or dollars from one investment vehicle and purchasing shares in another investment vehicle. Visual: A green circle 'A' with '\$1,000.00' and an arrow pointing to a blue circle 'B'.
- Rebalancing:** You want to move your current investment balances to more than one investment vehicle at the same time. Rebalancing enables you to change the way assets are distributed throughout your portfolio. Visual: A central circle with '100%' and arrows pointing to four smaller circles.
- Future Investment Elections:** Make changes to where your future contributions are invested. Visual: A green circle with '\$' and '100%' and arrows pointing to two smaller circles labeled '60%' and '40%'.

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